

# Agenda Report

May 9, 2011

**TO:** City Council

**THROUGH:** Municipal Services Committee (April 26, 2011)

**FROM:** City Manager

**SUBJECT:** DETERMINE THE WATER SUPPLY SHORTAGE NO LONGER EXISTS AND THEREBY TERMINATE LEVEL 1 WATER SUPPLY SHORTAGE MEASURES AS DESCRIBED IN PASADENA MUNICIPAL CODE (PMC) SECTION 13.10.

## **RECOMMENDATION**

It is recommended that the City Council:

1. Find that the action recommended herein is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15307 (Actions by Regulatory Agencies for the Protection of Natural Resources); and,
2. Make a finding pursuant to PMC 13.10.035 that a water supply shortage no longer exists, which finding will automatically terminate the Level 1 Water Supply Shortage water conservation measures currently in effect.

## **MUNICIPAL SERVICES COMMITTEE RECOMMENDATION**

On April 26, 2011, the Municipal Services Committee concurred with the staff recommendation.

## **ENVIRONMENTAL ADVISORY COMMISSION RECOMMENDATION**

On April 28, 2011, the Environmental Advisory Commission passed a motion to support the staff recommendation.

## **BACKGROUND**

On July 13, 2009, the City Council determined that: a water supply shortage existed pursuant to PMC 13.10.035; a water conservation target of 10% was necessary; and, the Level 1 Water Supply Shortage water conservation measures described in PMC 13.10.040 were appropriate to address the water shortage. The determination was based on a number of factors restricting local and regional water supply, including reductions in the City's pumping rights in the Raymond Basin groundwater basin and restrictions on water imports imposed by the Metropolitan Water District (MWD), which implemented its Water Supply Allocation Plan effective July 1, 2009.

### ***Determination that the Water Shortage No Longer Exists***

It is recommended that the City Council make a finding that a water supply shortage no longer exists pursuant to PMC 13.10.035. As a result of improved snowpack and regional water storage conditions, the MWD governing board acted on April 12, 2011 to immediately terminate the Water Supply Allocation Plan and not impose restrictions for fiscal year 2012. Without these restrictions in place, Pasadena will have adequate sources of water supply to reliably meet customer demand through at least June 30, 2012.

### ***Termination of Level 1 Water Waste Prohibitions***

Upon the Council's finding that a water supply shortage no longer exists, the Level 1 Water Supply Shortage restrictions would automatically be terminated. As a result, Pasadena Water and Power (PWP) customers would no longer be limited to outdoor watering only three days per week in summer (April 1 through October 31) or no more than one day per week in winter. Also, customers will be afforded seven days to repair leaks, rather than within 72 hours of notification by PWP.

### ***Permanent Water Waste Prohibitions Remain In Place***

Termination of the water supply shortage does not mean that PWP's customers can wastefully use water with impunity. The following permanent mandatory restrictions set forth in PMC 13.10.032 prevent the wasteful use of potable water will continue to be enforced by PWP staff:

- A. Prohibits landscape irrigation between 9:00 AM and 6:00 PM (with specified exceptions for hand watering);
- B. Prohibits landscape irrigation during periods of rain;
- C. Prohibits water from landscape irrigation to runoff onto streets, sidewalks, driveways, etc.;
- D. Prohibits washing paved or hard surfaces unless with a pre-approved device;
- E. Obligates water users to fix leaks and breaks in plumbing within seven (7) days;
- F. Requires water recirculating for fountains and decorative water features;
- G. Prohibits washing vehicles unless with a pre-approved device;
- H. Eating or drinking establishments may only serve water upon request;

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- I. Requires restaurants to use water conserving dish wash spray valves;
- J. Commercial lodging establishments must offer guests the option to refuse linen service;
- K. Prohibits the installation of single-pass cooling systems;
- L. Prohibits the installation of non-recirculating equipment at car washes and laundromats;
- M. Effective July 1, 2011, all commercial car washes must install recirculating water systems.

These permanent water-waste prohibitions reinforce the message that California faces ongoing water supply challenges, and therefore, water waste will not be tolerated regardless of whether or not a water shortage exists.

### ***Ongoing Conservation Programs***

Consistent with the Water Integrated Resource Plan goal to reduce per-capita potable water consumption by at least 20% by year 2020, PWP will continue strongly encourage water conservation. For FY2012, PWP anticipates continued funding of its water conservation program at current levels in order to provide all customers with information and incentives to encourage conservation.

Despite the termination of the immediate water supply shortage, PWP's core message to conserve water will persist. California has long-term, structural water supply challenges, and PWP will continue informing customers about efficient and appropriate water use, water saving technologies, and avoiding waste as a means to secure PWP's future water supplies and while keeping water costs affordable.

On June 14, 2010, City Council approved adjustments to PWP's water rates to eliminate Tier 5 rates and reduce Tier 4 rates by 25%. This action was taken in response to conservation efforts by PWP customers that ensured that PWP did not exceed its reduced allocation from MWD. In addition, marginal revenues collected from customers who paid Tier 4 and 5 rates were credited to those accounts in November and December 2010. The reduced Tier 4 rates will provide funds for the conservation programs and will continue to provide high usage customers with economic "price signals" to reduce their water use. FY2011 Tier 4 water rate revenues are projected to be approximately \$3 million.

### **COUNCIL POLICY CONSIDERATION**

The permanent water-waste prohibitions in PMC 13.10.032 are consistent with the City's Urban Environmental Accords goals and the recently adopted Water Integrated Resource Plan. While lifting the Level 1 watering restrictions may lead to increased water use for irrigation, PWP will strive to encourage continued water conservation through a broad range of incentives and informational programs.

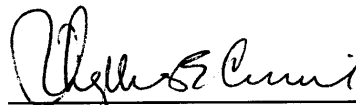
**ENVIRONMENTAL DETERMINATION**

The project has been determined to be exempt per Section 15307 of the CEQA Guidelines, Actions by Regulatory Agencies for Protection of Natural Resources. This exemption consists of actions by regulatory agencies as authorized by State law or local ordinance to assure maintenance of a natural resource (such as water) where the regulatory process involves procedures for protection of the resource.

**FISCAL IMPACT**

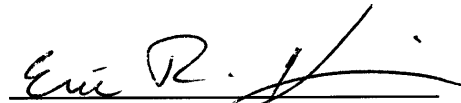
The recommended actions are expected to have little or no incremental impact on costs or revenues. PWP will continue to encourage its customers to use water efficiently and consequently does not anticipate a substantial increase in water sales as a result of lifting the Level 1 water waste prohibitions. Similarly, PWP will continue to use existing staff as available for enforcement activities and thus does not anticipate any cost savings related to enforcement.

Respectfully submitted,



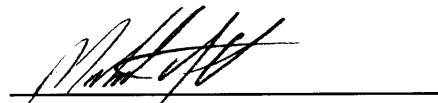
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