



GAIL FARBER, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

May 26, 2015

IN REPLY PLEASE
REFER TO FILE:

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#2

June 2, 2015


PATRICK O'QUINN
ACTING EXECUTIVE OFFICER

Dear Supervisors:

**PUBLIC HEARING ON MODIFICATIONS TO THE PHASED WATER
CONSERVATION PLAN OF THE LOS ANGELES COUNTY WATERWORKS
DISTRICTS AND THE MARINA DEL REY WATER SYSTEM AND
IMPLEMENTATION OF THE PHASED WATER CONSERVATION PLAN
(SUPERVISORIAL DISTRICTS 3, 4, AND 5)
(3 VOTES)**

SUBJECT

This action is to conduct a public hearing to confirm that a water shortage emergency exists in the Los Angeles County Waterworks Districts and the Marina del Rey Water System. Based on the water shortage emergency, this action seeks to amend and implement the Phased Water Conservation Plan in Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System.

**IT IS RECOMMENDED THAT THE BOARD, AFTER THE PUBLIC HEARING,
ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY
WATERWORKS DISTRICTS AND THE MARINA DEL REY WATER SYSTEM:**

1. Find that the implementation of the Phased Water Conservation Plan in Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System is statutorily exempt from the California Environmental Quality Act pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a) of the California Environmental Quality Act Guidelines, and Public Resources Code Section 21080(b)(4) and Section 15269(c) of the California Environmental Quality Act Guidelines and is categorically exempt pursuant to Section 15307 and 15308 of the California Environmental Quality Act Guidelines for the reasons stated in this letter and in the record of the proposed action.

2. Because the Governor of California has declared a state of emergency in response to a Statewide drought and has directed the California State Water Resources Control Board to impose restrictions to achieve an aggregate Statewide 25 percent reduction in water use compared to 2013 and, for the additional reasons stated in the resolution, determine that a water shortage exists in the Los Angeles County Waterworks Districts and the Marina del Rey Water System and that the Phased Water Conservation Plan should be implemented accordingly.
3. Adopt the resolution approving the proposed modifications to the Phased Water Conservation Plan set forth in the resolution and implementing the Phased Water Conservation Plan to reflect the water shortage levels reflected in the resolution including conservation surcharges in Los Angeles County Waterworks District Nos. 29 (Malibu) and 40 (Antelope Valley) for water usage above the target quantity.
4. Adopt an amendment to the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System, making the implementation of the Phased Water Conservation Plan effective once a notice of the Board's determination of a shortage is published in a daily newspaper of general circulation within the Los Angeles County Waterworks Districts and the Marina del Rey Water System.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommendation is to find the amendment and implementation of the Phased Water Conservation Plan in Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System is statutorily exempt from the California Environmental Quality Act (CEQA), to amend the plan's implementation procedure, and to implement the plan at the applicable levels reflecting the current water shortage. This action is necessary in response to Governor Jerry Brown's Executive Order and the requirements adopted by the State Water Resources Control Board (SWRCB) requiring the customers of the Los Angeles County Waterworks Districts and the Marina del Rey Water System (Waterworks Districts) to reduce their water use.

The plan specifies the availability of 10 water shortage phases, which provide that customers of the Waterworks Districts must reduce their water use, including the limiting of watering of lawns in Phase I and a 10 percent reduction for a Phase II shortage. The plan further specifies that customers must reduce their water use in increments of 5 percent for each successive phase through a Phase X shortage, with a maximum potential reduction of 50 percent in the event of a Phase X shortage. As reflected in the

enclosed resolution (Enclosure A), the water shortage phases being declared are Phase I in Waterworks District Nos. 21, 36, and 37, and the Marina del Rey Water System; Phase VII for Waterworks District No. 40; and Phase VIII for Waterworks District No. 29. The plan also provides for surcharges on water use above a customer's specified target quantity. The conservation surcharges serve as economic penalties for water use that exceeds the Governor's mandatory water conservation requirements.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Operational Effectiveness/ Fiscal Sustainability (Goal 1) and Integrated Services Delivery (Goal 3) by promoting sound, prudent, transparent fiscal policies, and practices that help ensure maintenance of critical, high-priority County public services and by ensuring that residents and businesses take the necessary steps to protect and preserve our precious water resources to lessen the potential impacts of the drought and preserve the quality of life for County residents.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

There will be a loss of revenue in all Waterworks Districts due to decreased water sales, which will be partially offset by a reduction in expenditures for the purchase of imported water.

The SWRCB may potentially use formal enforcement actions including Cease and Desist Orders or Notices of Violations to stop a non-compliant activity and could potentially assess fines against the Waterworks Districts and/or their customers. Because the Waterworks Districts are required to achieve water reductions, it is necessary and appropriate for the Waterworks Districts to require all customers to reduce their water use and to assess surcharges on water use by customers in Waterworks District Nos. 29 and 40 in excess of their allocation.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

California has experienced 4 years of extremely dry weather as well as court-ordered limits on pumping water from the Sacramento Delta, which have severely impacted reservoir storage and dramatically reduced water supplies. These circumstances led Governor Brown to declare a state of emergency due to the drought on January 17, 2014. On April 1, 2015, Governor Brown issued an Executive Order requiring a Statewide mandatory reduction of 25 percent in potable water use. The Executive Order directed the SWRCB to impose restrictions to achieve an aggregate Statewide

25 percent reduction in use compared to 2013. On May 5, 2015, the SWRCB required Waterworks District Nos. 21, 36, and 37, and the Marina del Rey Water System, public water suppliers that serve less than 3,000 acre-feet and have less than 3,000 connections, to limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons served to no more than 2 days per week, or reduce by 25 percent the total potable water production relative to the amount produced in 2013, which is consistent with outdoor irrigation restrictions in Phase 1 of the plan. The SWRCB has required Waterworks District No. 40 to achieve a reduction of 32 percent and Waterworks District No. 29 to achieve a reduction of 36 percent, which is consistent with Phase VII and VIII of the plan, respectively.

The Metropolitan Water District of Southern California, the largest wholesale water supplier in Southern California, has also implemented Stage 3 of its water shortage contingency plan imposing a 15 percent cutback on its deliveries to all its member agencies, including the West Basin Municipal Water District, which supplies water to Waterworks District No. 29 and the Marina del Rey Water System. West Basin has set water allocations for all its retail water agencies, including a 10 percent reduction in the amount of water available to Waterworks District No. 29 in Fiscal Year 2015-16 compared to what was used in Fiscal Years 2012-13 and 2013-14. West Basin will include a surcharge on water use in excess of the allocation available to Waterworks District No. 29.

In accordance with Part 5 of the Rules and Regulations, during a water shortage, the Waterworks Districts' average water use is calculated for customers with a water meter size of 1 inch or smaller. The average amount is defined as the base quantity for customers with a meter size of 1 inch or smaller. Customers with meter sizes larger than 1 inch have a base quantity equal to the amount of water they used during the corresponding billing period in 2013. The Waterworks Districts then set the target quantity for each customer by reducing their base quantity by the percent dictated by the SWRCB. For example, if a customer's base quantity is 40 units per month and the SWRCB requires a 36 percent reduction in use by the Waterworks District, the target quantity would be 36 percent less than 40 units, or 26 units.

Customers are charged the normal water rate for all the water they use. A conservation surcharge of 1 times the normal water rate is assessed for water use in excess of their target quantity up to 115 percent of their target quantity. An additional conservation surcharge of 2 times the normal water rate is assessed for water use in excess of 115 percent of the target quantity.

Adoption of the resolution will authorize the Director of Public Works or her designee to implement the plan in all of the Waterworks Districts and the Marina del Rey Water System in accordance with Division 16 of the California Water Code once a notice of the

Board's determination of a shortage is published in a daily newspaper of general circulation within the Waterworks Districts. A copy of the proposed amendment to Part 5 of the Rules and Regulations is enclosed for your reference (Enclosure B).

On February 17, 2009, the Board authorized the Director of Public Works to implement and maintain a new comprehensive Customer Information System solution for the Waterworks Districts. This system allows the Waterworks Districts to implement rate changes immediately upon approval by the Board and prorate customers' bills so that their use prior to the rate change is billed using the prior rates and following the rate change is billed at the new rates. This Customer Information System improvement removes the necessity of waiting an entire billing cycle to implement a change following an approval by the Board. The modification of Part 5 of the Rules and Regulations will allow for the implementation of the phases upon publication of the approved resolution in a newspaper of general circulation.

The conservation surcharges authorized by the resolution implementing Part 5 of the Rules and Regulations apply only to the amount of water used above the specified target quantity in each applicable phase for Waterworks District Nos. 29 and 40, and as such, they are penalties for non-compliance with the law and, therefore, not subject to Proposition 218 and Proposition 26. The price of the water for the target quantity is not being increased and, therefore, the implementation of Part 5 of the Rules and Regulations is not subject to Proposition 218 and Proposition 26.

The resolution has been approved as to form by County Counsel.

A notice of the time, date, and place of the public hearing to consider implementation of Part 5 of the Rules and Regulations was advertised according to the instructions in Enclosure C. Upon the Board's approval of implementation, a notice should be advertised according to the instructions in Enclosure D.

ENVIRONMENTAL DOCUMENTATION

This action is statutorily exempt from CEQA pursuant to Public Resources Code Section 21080(b)(4) and State CEQA Guidelines Section 15269(c) where certain projects qualify for an exemption for specific actions necessary to prevent or mitigate an emergency. The implementation of Part 5 of the Rules and Regulations is being taken in mitigation of the emergency created by the 4-year drought for the immediate protection of the health and welfare of the people. Implementation of the plan is not a long-term solution and not intended to mitigate a situation that has a low probability of occurring. While the drought has been severe, weather patterns are cyclical, and this drought is abnormal and is expected to eventually abate. Further, the State of

California is enacting legislation to provide water for areas in shortage, including capital improvements in the State's infrastructure.

Further, the proposed action is exempt from CEQA by Proclamation of a State of Emergency, by the Governor on January 17, 2014. The Governor's order is: "The Department of Water Resources and the Water Board will take actions necessary to make water immediately available, and, for purposes of carrying out directives 5 and 8, Water Code section 13247 and Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division are suspended on the basis that strict compliance with them will prevent, hinder, or delay the mitigation of the effects of the emergency." The Governor's Executive Order on April 1, 2015, reiterated the January 1, 2014, CEQA exemption, and directed the SWRCB to enact a "Statewide 25 percent reduction in potable urban water use..., with areas of high per capita use to achieve proportionally greater reductions than those with low use." The SWRCB's action on May 5, 2015, ordered a 25 percent Statewide reduction in water usage with a 32 percent reduction in Waterworks District No. 40 and a 36 percent reduction in Waterworks District No. 29 beginning June 1, 2015. The action of implementing the plan by the Board is as a direct result of the SWRCB's May 5, 2015, order, and therefore, any delay in enacting the plan will prevent, hinder, or delay the mitigation of the effects of the emergency requirements as set forth by the SWRCB.

Implementation of the plan includes approval of certain water charges for the purpose of meeting operating expenses of the Waterworks Districts and purchasing supplies, equipment, or materials as set forth in the written findings in the resolution. With respect to the approval of such water charges, those actions are statutorily exempt from CEQA pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a) of the CEQA Guidelines.

Additionally, this action is categorically exempt from CEQA. Implementation of the plan is a regulatory action taken by the Waterworks Districts to assure maintenance of water as a natural resource and, therefore, this action is taken to protect the environment pursuant to State CEQA Guidelines Sections 15307 and 15308 and Classes 7 and 8 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, and will ensure that water remains available. There are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption inapplicable based on the records of the proposed actions.

Upon approval of the recommended actions, Public Works will file a Notice of Exemption with the County Clerk in accordance with Section 1502 of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Implementation of the plan will preserve the quality of life for residents of the Waterworks Districts by ensuring that limited water supplies are conserved to meet the basic needs of all customers. However, the Waterworks Districts will prohibit issuance of new potable water meters for construction, and a prolonged drought will require all water service "Will Serve" letters to be issued with the condition that permanent metered service to any newly created lot will be prohibited until the plan is no longer in effect.

CONCLUSION

Please return an adopted copy of this letter and a signed original of the resolution to the Department of Public Works, Waterworks Division.

Respectfully submitted,



GAIL FARBER
Director of Public Works

GF:AA:

Enclosures

c: Chief Executive Office (Rochelle Goff)
County Counsel
Executive Office

ENCLOSURE A

RESOLUTION DECLARING A PHASE I, VII, AND VIII WATER SHORTAGE, AS APPLICABLE, WITHIN THE LOS ANGELES COUNTY WATERWORKS DISTRICTS AND THE MARINA DEL REY WATER SYSTEM

WHEREAS, on January 17, 2014, the Governor of California declared a state of emergency in response to a three (3)-year Statewide drought; and

WHEREAS, on April 1, 2015, the Governor of California issued Executive Order B-29-15 requiring a Statewide mandatory reduction of twenty-five (25) percent in potable urban water usage; and

WHEREAS, Executive Order B-29-15 directed the California State Water Resources Control Board (SWRCB) to impose restrictions to achieve an aggregate Statewide twenty-five (25) percent reduction in use compared to 2013; and

WHEREAS, on May 5, 2015, the SWRCB has required areas with high per capita water use to achieve proportionally greater reductions than areas with low use, including a thirty-two (32) percent reduction in total potable water production relative to the amount produced in 2013 for Los Angeles County Waterworks District No. 40, Antelope Valley; and a thirty-six (36) percent reduction in total potable water production relative to the amount produced in 2013 for Los Angeles County Waterworks District No. 29, Malibu; and

WHEREAS, the SWRCB has required each distributor of a public water supply that serves less than three thousand (3,000) acre-feet per year and has less than three thousand (3,000) customers to limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two (2) days per week, or reduce by twenty-five (25) percent its total potable water production relative to the amount produced in 2013; and

WHEREAS, Los Angeles County Waterworks District Nos. 21, Kagel Canyon; 36, Val Verde; and 37, Acton; as well as the Marina del Rey Water System are distributors of a public water supply that serve less than three thousand (3,000) customers; and

WHEREAS, the Department of Water Resources has limited the amount of State Water Project water allocated to Southern California in both 2014 and 2015; and

WHEREAS, the Metropolitan Water District, the largest supplier of water in Southern California, which receives a major portion of its water supplies from the State Water Project, has implemented Stage 3 of its water shortage contingency plan imposing a fifteen (15) percent cutback on its deliveries to all its member agencies; and

WHEREAS, West Basin Municipal Water District, the main supplier of water to the Los Angeles County Waterworks District No. 29, Malibu, and the Marina del Rey Water System, receives one hundred (100) percent of its water from the Metropolitan Water District; and

WHEREAS, the West Basin Municipal Water District reduced supplies delivered to its member public agencies, including a ten (10) percent reduction in the amount of water available to Los Angeles County Waterworks District No. 29, Malibu, and the Marina del Rey Water System, and imposed severe surcharges on water use in excess of the allocation to each of its member public agencies in order to achieve reductions in water usage; and

WHEREAS, in order to stretch available supplies to meet critical customer needs and to protect public welfare and safety, it will be necessary to significantly reduce water usage in the Los Angeles County Waterworks Districts and the Marina del Rey Water System (hereinafter referred to as WATERWORKS DISTRICTS); and

WHEREAS, in accordance with the Phased Water Conservation Plan (PLAN) contained in Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System, the Board of Supervisors, as the Board of Directors of the WATERWORKS DISTRICTS, may implement the provisions of the PLAN of the WATERWORKS DISTRICTS in order to protect public welfare and safety; and

WHEREAS, the PLAN includes certain water charges for the purpose of meeting operating expenses of the WATERWORKS DISTRICTS; and

WHEREAS, the PLAN includes certain water surcharges for the purpose of meeting conservation orders of the Department of Water Resources.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, hereby incorporates the above recitals in these findings and further finds as part of the record that these actions are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15269(c) where certain projects qualify for an exemption for specific actions necessary to prevent or mitigate an emergency. The implementation of Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System is being taken in mitigation of the emergency created by the four (4)-year drought for the immediate protection of the health and welfare of the people. Implementation of the PLAN is not a long-term solution and not intended to mitigate a situation that has a low probability of occurring. While the drought has been severe, weather patterns are cyclical, and this drought is abnormal and is expected to eventually abate. Further, the State of California is enacting legislation to provide water for areas in shortage, including capital improvements in the State's infrastructure.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, finds the proposed action is exempt from CEQA by Proclamation of a State of Emergency, by the Governor on January 17, 2014. The Governor's order is: "The Department of Water Resources and the Water Board will take actions necessary to make water immediately available, and, for purposes of carrying out directives 5 and 8, Water Code section 13247 and Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division are suspended on the basis that strict compliance with them will prevent, hinder, or delay the mitigation of the effects of the emergency." The Governor's Executive Order on April 1, 2015, reiterated the January 1, 2014, CEQA exemption, and directed the SWRCB to enact a "Statewide 25 percent reduction in potable urban water use..., with areas of high per capita use to achieve proportionally greater reductions than those with low use." The SWRCB's action on May 5, 2015, ordered a twenty-five (25) percent Statewide reduction in water usage with a thirty-two (32) percent reduction in Waterworks District No. 40, Antelope Valley, and a thirty-six (36) percent reduction in Waterworks District No. 29, Malibu, beginning June 1, 2015. The action of implementing the PLAN by the Board is as a direct result of the SWRCB's May 5, 2015, order, and therefore, any delay in enacting the PLAN will prevent, hinder, or delay the mitigation of the effects of the emergency requirements as set forth by the SWRCB.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, finds that the implementation of the PLAN in Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System includes approval of certain water charges for the purpose of meeting operating expenses of the WATERWORKS DISTRICTS and purchasing supplies, equipment, or materials as set forth in the written findings in the resolution. With respect to the approval of such water charges, those actions are statutorily exempt from CEQA pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a) of the State CEQA.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, finds that this action is exempt from CEQA pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a) of the CEQA Guidelines because the amendments to the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System include water charges for the purpose of meeting operating expenses of the WATERWORKS DISTRICTS as well as for the purpose of purchasing or leasing supplies, equipment, or materials. The CEQA statute and the State Guidelines section require the lead agency to incorporate written findings in the record of any proceeding claiming this exemption setting forth with specificity the basis for the claim of the exemption.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, makes further findings that:

1. The primary source of funding to offset the WATERWORKS DISTRICTS' costs are through water sales; and

2. The WATERWORKS DISTRICTS maintain a ninety (90)-day cash reserve to pay all the necessary costs in advance of receiving water sales revenues; and

3. The WATERWORKS DISTRICTS must replace aging portions of the water system infrastructure; and

4. The WATERWORKS DISTRICTS have set a goal of increasing capital funding levels to the annual cost of depreciation; and

5. The WATERWORKS DISTRICTS must maintain capital reserves for emergency replacement water infrastructure and unforeseen capital construction cost increases; and

6. The WATERWORKS DISTRICTS purchase wholesale water from water wholesalers (Antelope Valley-East Kern Water Agency, Los Angeles Department of Water and Power, Castaic Lake Water Agency, and West Basin Municipal Water District) as needed; and

7. The WATERWORKS DISTRICTS' retail price of water is partially dependent, in part, upon the WATERWORKS DISTRICTS' cost of the purchase of wholesale water; and

8. Public Works' Chief Financial Officer and the Auditor-Controller annually review the WATERWORKS DISTRICTS' rates and determine the needed adjustments.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, finds that this action is categorically exempt from CEQA. The implementation of the PLAN is a regulatory action taken by the WATERWORKS DISTRICTS to assure maintenance of water as a natural resource and, therefore, this action is taken to protect the environment pursuant the State CEQA Guidelines Sections 15307 and 15308 and Classes 7 and 8 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, and will ensure that water remains available. There are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption inapplicable based on the records of the proposed actions.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, approves and adopts the amendments to the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System (Enclosure B) wherein the implementation of Part 5 will be effective upon the Board's approval and publication.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further finds and declares that there currently is a water supply shortage in the WATERWORKS DISTRICTS; and that the drought conditions will likely continue for the foreseeable future, and that it is likely that Waterworks District Nos. 21, Kagel Canyon; 36, Val Verde; and 37, Acton, and the

Marina del Rey Water System will suffer a potable water shortage and need to reduce outdoor watering to two (2) days per week or reduce water use by twenty-five (25) percent from 2013 usage; that District No. 29 will suffer a shortage of between thirty-five (35) and forty (40) percent of its water supplies, and implementation of the PLAN will result in conservation surcharges for water usage over the target quantity for Phase VIII; and that Waterworks District No. 40, Antelope Valley, will suffer a shortage of between thirty (30) and thirty-five (35) percent of its water supplies, and implementation of the PLAN will result in conservation surcharges for water usage over the target quantity for Phase VII. Therefore, under the provisions of Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System, the Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further declares that the following PLAN shortage levels shall take effect and be implemented:

- Phase I shortage for Waterworks District No. 21
- Phase I shortage for Waterworks District No. 36
- Phase I shortage for Waterworks District No. 37
- Phase I shortage for Marina del Rey Water System
- Phase VII shortage for Waterworks District No. 40
- Phase VIII shortage for Waterworks District No. 29

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further declares that the implementation of each of the declared phase shortages is necessary to protect the public welfare and safety, and each of the corrective measures as set forth in each of the phases shall be implemented. The base period shall be calendar year 2013 as mandated by the SWRCB. In those instances that 2013 data is not available, the base period shall be determined by the WATERWORKS DISTRICTS.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further finds that the purpose of the water rates for the base rate is for the WATERWORKS DISTRICTS to fund operation and maintenance costs necessary to maintain services, meet financial reserve requirements, and obtain some funds for capital improvement projects within the existing service areas to provide reliable potable water service to the Los Angeles County Waterworks District Nos. 21, Kagel Canyon; 29, Malibu; 36, Val Verde; 37, Acton; and 40, Antelope Valley; and the Marina del Rey Water System.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further finds that the purpose of the conservation surcharges is to comply with the Governor's and the SWRCB's mandatory water conservation requirements and the conservation surcharges are only applied to usage that exceeds the target quantity authorized by this Board under Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System.

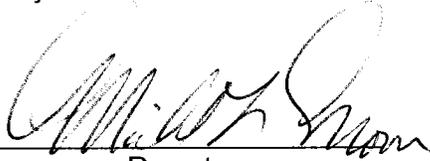
The foregoing resolution was adopted on the _____ day of _____, 2015, by the Board of Supervisors of the County of Los Angeles as the governing body of the Los Angeles County Waterworks Districts and the Marina del Rey Water System.

PATRICK OGAWA
Acting Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

MARK J. SALADINO
County Counsel

By 
Deputy

REVISED

ENCLOSURE B

AMENDMENTS TO THE RULES AND REGULATIONS OF THE LOS ANGELES COUNTY WATERWORKS DISTRICTS

Rule 5-C-1c of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System is hereby amended as follows:

5-C-1c The Board of Directors shall issue its determination of shortage and corrective measures by resolution published in a daily newspaper of general circulation within the affected District or Districts. Conservation surcharges assessed per Rule 5-O-1 shall become effective ~~no sooner than the first full billing period commencing~~ on or after the date of such publication.

Rule 5-O-1a of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System is hereby amended as follows:

5-O-1a Water use up to the target quantities specified in Rules 5-D-1b, 5-D-1c, 5-E-1b, 5-E-1c, 5-F-1b, 5-F-1c, 5-G-1b, 5-G-1c, 5-H-1b, 5-H-1c, 5-I-1b, 5-I-1c, 5-J-1b, 5-J-1c, 5-K-1b, 5-K-1c, 5-L-1b, and 5-L-1c shall be billed at the established QUANTITY CHARGE or NORMAL USE CHARGE. Water use in excess of the aforementioned target quantities shall be subject to the following conservation surcharges in addition to the established QUANTITY CHARGE or NORMAL USE CHARGE.

1. For all customers within Los Angeles County Waterworks Districts and Marina Del Rey Water System, an additional conservation surcharge of ~~4.0~~ 0.5 times the established QUANTITY CHARGE or NORMAL USE CHARGE will be assessed for water use in excess of the target quantity, up to 115 percent of the target quantity.
2. For all customers within Los Angeles County Waterworks Districts and Marina Del Rey Water System, an additional conservation surcharge of ~~2.0~~ 1.0 times the established QUALITY CHARGE or NORMAL USE CHARGE will be assessed for water use in excess of 115 percent of the target quantity.
3. If cost of purchased water obtained from the water wholesalers that sell water to the Los Angeles County Waterworks Districts increases beyond the amounts that can be offset and collected through the rates set in 1 and 2 of this provision, then the District Engineer is hereby authorized to revise the rates set in 1 and 2 of this provision in amounts necessary to offset the cost to purchase the water.

The foregoing amendments to Rule 5-O-1a, as enacted on June 2, 2015, shall expire on June 1, 2016, on which date Rule 5-O-1a shall revert to the provisions of Rule 5-O-1a as enacted on May 22, 1991, by Ordinance No. 91-0075M.

**INSTRUCTION SHEET FOR PUBLISHING
LEGAL ADVERTISEMENTS**

TO: Acting Executive Officer of the
Board of Supervisors
County of Los Angeles

FROM: Department of Public Works
Waterworks Division

**NOTICE OF PUBLIC HEARING
FOR CONSIDERATION OF WATER SHORTAGE EMERGENCY AND
IMPLEMENTATION OF PHASED WATER CONSERVATION PLAN IN
THE LOS ANGELES COUNTY WATERWORKS DISTRICTS AND THE
MARINA DEL REY WATER SYSTEM**

Publishing

The Executive Officer of the Board of Supervisors shall cause notice of the public hearing, in the form and manner specified in Sections 66016 and 6062a of the Government Code, to be published in *The Argonaut*, *The Los Angeles Times*, *Malibu Surfside News*, *Antelope Valley Press*, *Acton/Agua Dulce News*, and *The Malibu Times* newspapers published and circulated in the County of Los Angeles, which are hereby designated for that purpose, and such publication to be completed not less than 10 days prior to the date of said hearing. A courtesy notice should also be published in the *Topanga Messenger*.

Forward five reprints of the attached advertisement to the County of Los Angeles Department of Public Works, Waterworks Division, Post Office Box 1460, Alhambra, California 91802-1460.

Should there be any questions regarding this matter, please contact Mr. Dave Rydman of this office at (626) 300-3357, Monday through Thursday, 6:45 a.m. to 5:30 p.m.

DR:dvt

H:\WWW\HOME\DVASQUEZ\2015\BOARD LETTERS\BDL2433\PHASED WATER ENCLOSURE C.DOC

Attach.

**NOTICE OF PUBLIC HEARING TO IMPLEMENT THE PHASED WATER
CONSERVATION PLAN FOR THE LOS ANGELES COUNTY WATERWORKS
DISTRICTS AND THE MARINA DEL REY WATER SYSTEM**

In accordance with the California Water Code, Section 375, the Los Angeles County Board of Supervisors, as the Board of Directors of the Los Angeles County Waterworks Districts and the Marina del Rey Water System (Waterworks Districts), will hold a public hearing on May 26, 2015, at 9:30 a.m. in the Hearing Room of the Board, Room 381, Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012, in the matter of determining whether or not a water shortage emergency exists in the Waterworks Districts and whether to implement the Phased Water Conservation Plan.

On May 23, 1991, the Board of Supervisors approved a multiphase water conservation plan, which was amended on March 3, 2009, and October 21, 2014, for the Waterworks Districts that provided for water usage reductions ranging from 10 to 50 percent depending on a water supply shortage to any or all of the Waterworks Districts. The full text of the plan is available at www.lacwaterworks.org/About/RulesRegulations.aspx.

During this water shortage, the average water use in the Waterworks Districts is calculated for customers with a water meter size of 1 inch or smaller. The average amount is defined as the base quantity for customers with a meter size of 1 inch or smaller. Customers with meter sizes larger than 1 inch have a base quantity equal to the amount of water they used during the corresponding billing period in 2013. The target quantity for each customer will be calculated by reducing their base quantity by the percentage mandated by the State Water Resources Control Board (SWRCB). The SWRCB has required areas with higher per capita use to achieve proportionally greater reductions than areas with low use. While the SWRCB has required all small water systems including Waterworks District Nos. 21, 36, and 37 to achieve a reduction of 25 percent, they have required Waterworks District No. 40 to achieve a reduction of 32 percent and Waterworks District No. 29 and the Marina del Rey Water System to achieve a reduction of 36 percent.

Customers are charged the normal water rate for the water they use up to their target quantity. A conservation surcharge of 1 time the normal water rate is assessed for water use in excess of their target quantity up to 115 percent of their target quantity. An additional conservation surcharge of 2 times the normal water rate is assessed for water use in excess of 115 percent of the target quantity.

The Board of Supervisors will consider and may adopt the plan as recommended by the Director of Public Works. The plan will be in effect upon notice in this publication.

For additional information regarding this matter, please call (626) 300-4688, Monday through Thursday from 7 a.m. to 5:45 p.m.

Si no entiende este aviso o si necesita más información, favor de llamar al teléfono (626) 300-3384. Nuestra oficina esta abierta de 7 a.m. a 5:45 p.m., de lunes a jueves

DR:dvt

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**INSTRUCTION SHEET FOR PUBLISHING
LEGAL ADVERTISEMENTS**

TO: Acting Executive Officer of the
Board of Supervisors
County of Los Angeles

FROM: Department of Public Works
Waterworks Division

**NOTICE OF IMPLEMENTATION OF PHASED WATER CONSERVATION PLAN
IN THE LOS ANGELES COUNTY WATERWORKS DISTRICTS AND THE
MARINA DEL REY WATER SYSTEM**

Publishing

Upon approval of Agenda Item No. xxx, the Executive Officer of the Board of Supervisors shall cause notice of the determination of shortage and implementation of the Phased Water Conservation Plan for the Los Angeles County Waterworks Districts and the Marina del Rey Water System by resolution of the Board of Supervisors acting as the governing body of the Los Angeles County Waterworks Districts and the Marina del Rey Water System to be published in a daily newspaper of general circulation within the affected Waterworks Districts.

The resolution should be printed in *The Los Angeles Times* and *La Opinion* as soon as possible after the Board takes action to implement the plan. The resolution must be translated into Spanish for publication in *La Opinion*.

Forward five reprints of the advertisement to the County of Los Angeles Department of Public Works, Waterworks Division, Post Office Box 1460, Alhambra, California 91802-1460.

Should there be any questions regarding this matter, please contact Mr. Dave Rydman of this office at (626) 300-3357, Monday through Thursday, 6:45 a.m. to 5:30 p.m.

DR:dvt

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RESOLUTION DECLARING A PHASE I, VII, AND VIII WATER SHORTAGE, AS APPLICABLE, WITHIN THE LOS ANGELES COUNTY WATERWORKS DISTRICTS AND THE MARINA DEL REY WATER SYSTEM

WHEREAS, on January 17, 2014, the Governor of California declared a state of emergency in response to a three (3)-year Statewide drought; and

WHEREAS, on April 1, 2015, the Governor of California issued Executive Order B-29-15 requiring a Statewide mandatory reduction of twenty-five (25) percent in potable urban water usage; and

WHEREAS, Executive Order B-29-15 directed the California State Water Resources Control Board (SWRCB) to impose restrictions to achieve an aggregate Statewide twenty-five (25) percent reduction in use compared to 2013; and

WHEREAS, on May 5, 2015, the SWRCB has required areas with high per capita water use to achieve proportionally greater reductions than areas with low use, including a thirty-two (32) percent reduction in total potable water production relative to the amount produced in 2013 for Los Angeles County Waterworks District No. 40, Antelope Valley; and a thirty-six (36) percent reduction in total potable water production relative to the amount produced in 2013 for Los Angeles County Waterworks District No. 29, Malibu; and

WHEREAS, the SWRCB has required each distributor of a public water supply that serves less than three thousand (3,000) acre-feet per year and has less than three thousand (3,000) customers to limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two (2) days per week, or reduce by twenty-five (25) percent its total potable water production relative to the amount produced in 2013; and

WHEREAS, Los Angeles County Waterworks District Nos. 21, Kagel Canyon; 36, Val Verde; and 37, Acton; as well as the Marina del Rey Water System are distributors of a public water supply that serve less than three thousand (3,000) customers; and

WHEREAS, the Department of Water Resources has limited the amount of State Water Project water allocated to Southern California in both 2014 and 2015; and

WHEREAS, the Metropolitan Water District, the largest supplier of water in Southern California, which receives a major portion of its water supplies from the State Water Project, has implemented Stage 3 of its water shortage contingency plan imposing a fifteen (15) percent cutback on its deliveries to all its member agencies; and

WHEREAS, West Basin Municipal Water District, the main supplier of water to the Los Angeles County Waterworks District No. 29, Malibu, and the Marina del Rey Water System, receives one hundred (100) percent of its water from the Metropolitan Water District; and

WHEREAS, the West Basin Municipal Water District reduced supplies delivered to its member public agencies, including a ten (10) percent reduction in the amount of water available to Los Angeles County Waterworks District No. 29, Malibu, and the Marina del Rey Water System, and imposed severe surcharges on water use in excess of the allocation to each of its member public agencies in order to achieve reductions in water usage; and

WHEREAS, in order to stretch available supplies to meet critical customer needs and to protect public welfare and safety, it will be necessary to significantly reduce water usage in the Los Angeles County Waterworks Districts and the Marina del Rey Water System (hereinafter referred to as WATERWORKS DISTRICTS); and

WHEREAS, in accordance with the Phased Water Conservation Plan (PLAN) contained in Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System, the Board of Supervisors, as the Board of Directors of the WATERWORKS DISTRICTS, may implement the provisions of the PLAN of the WATERWORKS DISTRICTS in order to protect public welfare and safety; and

WHEREAS, the PLAN includes certain water charges for the purpose of meeting operating expenses of the WATERWORKS DISTRICTS; and

WHEREAS, the PLAN includes certain water surcharges for the purpose of meeting conservation orders of the Department of Water Resources.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, hereby incorporates the above recitals in these findings and further finds as part of the record that these actions are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15269(c) where certain projects qualify for an exemption for specific actions necessary to prevent or mitigate an emergency. The implementation of Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System is being taken in mitigation of the emergency created by the four (4)-year drought for the immediate protection of the health and welfare of the people. Implementation of the PLAN is not a long-term solution and not intended to mitigate a situation that has a low probability of occurring. While the drought has been severe, weather patterns are cyclical, and this drought is abnormal and is expected to eventually abate. Further, the State of California is enacting legislation to provide water for areas in shortage, including capital improvements in the State's infrastructure.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, finds the proposed action is exempt from CEQA by Proclamation of a State of Emergency, by the Governor on January 17, 2014. The Governor's order is: "The Department of Water Resources and the Water Board will take actions necessary to make water immediately available, and, for purposes of carrying out directives 5 and 8, Water Code section 13247 and Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division are suspended on the basis that strict compliance with them will prevent, hinder, or delay the mitigation of the effects of the emergency." The Governor's Executive Order on April 1, 2015, reiterated the January 1, 2014, CEQA exemption, and directed the SWRCB to enact a "Statewide 25 percent reduction in potable urban water use..., with areas of high per capita use to achieve proportionally greater reductions than those with low use." The SWRCB's action on May 5, 2015, ordered a twenty-five (25) percent Statewide reduction in water usage with a thirty-two (32) percent reduction in Waterworks District No. 40, Antelope Valley, and a thirty-six (36) percent reduction in Waterworks District No. 29, Malibu, beginning June 1, 2015. The action of implementing the PLAN by the Board is as a direct result of the SWRCB's May 5, 2015, order, and therefore, any delay in enacting the PLAN will prevent, hinder, or delay the mitigation of the effects of the emergency requirements as set forth by the SWRCB.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, finds that the implementation of the PLAN in Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System includes approval of certain water charges for the purpose of meeting operating expenses of the WATERWORKS DISTRICTS and purchasing supplies, equipment, or materials as set forth in the written findings in the resolution. With respect to the approval of such water charges, those actions are statutorily exempt from CEQA pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a) of the State CEQA.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, finds that this action is exempt from CEQA pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a) of the CEQA Guidelines because the amendments to the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System include water charges for the purpose of meeting operating expenses of the WATERWORKS DISTRICTS as well as for the purpose of purchasing or leasing supplies, equipment, or materials. The CEQA statute and the State Guidelines section require the lead agency to incorporate written findings in the record of any proceeding claiming this exemption setting forth with specificity the basis for the claim of the exemption.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, makes further findings that:

1. The primary source of funding to offset the WATERWORKS DISTRICTS' costs are through water sales; and

2. The WATERWORKS DISTRICTS maintain a ninety (90)-day cash reserve to pay all the necessary costs in advance of receiving water sales revenues; and

3. The WATERWORKS DISTRICTS must replace aging portions of the water system infrastructure; and

4. The WATERWORKS DISTRICTS have set a goal of increasing capital funding levels to the annual cost of depreciation; and

5. The WATERWORKS DISTRICTS must maintain capital reserves for emergency replacement water infrastructure and unforeseen capital construction cost increases; and

6. The WATERWORKS DISTRICTS purchase wholesale water from water wholesalers (Antelope Valley-East Kern Water Agency, Los Angeles Department of Water and Power, Castaic Lake Water Agency, and West Basin Municipal Water District) as needed; and

7. The WATERWORKS DISTRICTS' retail price of water is partially dependent, in part, upon the WATERWORKS DISTRICTS' cost of the purchase of wholesale water; and

8. Public Works' Chief Financial Officer and the Auditor-Controller annually review the WATERWORKS DISTRICTS' rates and determine the needed adjustments.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, finds that this action is categorically exempt from CEQA. The implementation of the PLAN is a regulatory action taken by the WATERWORKS DISTRICTS to assure maintenance of water as a natural resource and, therefore, this action is taken to protect the environment pursuant the State CEQA Guidelines Sections 15307 and 15308 and Classes 7 and 8 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, and will ensure that water remains available. There are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption inapplicable based on the records of the proposed actions.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, approves and adopts the amendments to the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System (Enclosure B) wherein the implementation of Part 5 will be effective upon the Board's approval and publication.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further finds and declares that there currently is a water supply shortage in the WATERWORKS DISTRICTS; and that the drought conditions will likely continue for the foreseeable future, and that it is likely that Waterworks District Nos. 21, Kagel Canyon; 36, Val Verde; and 37, Acton, and the

Marina del Rey Water System will suffer a potable water shortage and need to reduce outdoor watering to two (2) days per week or reduce water use by twenty-five (25) percent from 2013 usage; that District No. 29 will suffer a shortage of between thirty-five (35) and forty (40) percent of its water supplies, and implementation of the PLAN will result in conservation surcharges for water usage over the target quantity for Phase VIII; and that Waterworks District No. 40, Antelope Valley, will suffer a shortage of between thirty (30) and thirty-five (35) percent of its water supplies, and implementation of the PLAN will result in conservation surcharges for water usage over the target quantity for Phase VII. Therefore, under the provisions of Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System, the Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further declares that the following PLAN shortage levels shall take effect and be implemented:

- Phase I shortage for Waterworks District No. 21
- Phase I shortage for Waterworks District No. 36
- Phase I shortage for Waterworks District No. 37
- Phase I shortage for Marina del Rey Water System
- Phase VII shortage for Waterworks District No. 40
- Phase VIII shortage for Waterworks District No. 29

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further declares that the implementation of each of the declared phase shortages is necessary to protect the public welfare and safety, and each of the corrective measures as set forth in each of the phases shall be implemented. The base period shall be calendar year 2013 as mandated by the SWRCB. In those instances that 2013 data is not available, the base period shall be determined by the WATERWORKS DISTRICTS.

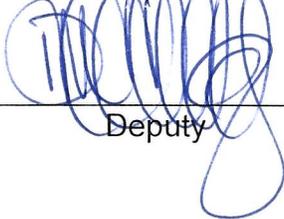
The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further finds that the purpose of the water rates for the base rate is for the WATERWORKS DISTRICTS to fund operation and maintenance costs necessary to maintain services, meet financial reserve requirements, and obtain some funds for capital improvement projects within the existing service areas to provide reliable potable water service to the Los Angeles County Waterworks District Nos. 21, Kagel Canyon; 29, Malibu; 36, Val Verde; 37, Acton; and 40, Antelope Valley; and the Marina del Rey Water System.

The Board of Supervisors of the County of Los Angeles, as the governing body of the WATERWORKS DISTRICTS, further finds that the purpose of the conservation surcharges is to comply with the Governor's and the SWRCB's mandatory water conservation requirements and the conservation surcharges are only applied to usage that exceeds the target quantity authorized by this Board under Part 5 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System.

The foregoing resolution was adopted on the 2nd day of June, 2015, by the Board of Supervisors of the County of Los Angeles as the governing body of the Los Angeles County Waterworks Districts and the Marina del Rey Water System.

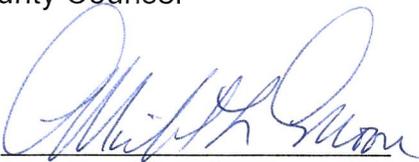


PATRICK OGAWA
Acting Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By 
Deputy

APPROVED AS TO FORM:

MARK J. SALADINO
County Counsel

By 
Deputy