



SPECIAL MEETING

LEGISLATION, CONSERVATION AND OUTREACH COMMITTEE

Board Room

March 8, 2012

1:30 p.m.

Elsa Saxod – Chair
Frank Hilliker – Vice Chair
Jeremy Jungreis – Vice Chair
Brian Boyle
Gary Croucher
Marilyn Dailey
Farrah Douglas

Marty Miller
Vincent Mudd
Robert Topolovac
Yen Tu
Mark Weston
Tom Wornham

1. Call to order.
2. Roll call – determination of quorum.
3. Public comment – opportunities for members of the public to address the Committee on matters within the Committee’s jurisdiction.

I. CONSENT CALENDAR

II. ACTION/DISCUSSION

1. Proposed Water Authority Water Use Efficiency Policy Principles Meena Westford
(Discussion)

III. INFORMATION



IV. ADJOURNMENT

Doria F. Lore
Clerk of the Board

NOTE: This meeting is also called and noticed as a meeting of the Board, but will be conducted as an Legislation, Conservation and Outreach Committee meeting. Members of the Board who are not members of the Committee may participate in the meeting pursuant to Section 2.00.060(g) of the Water Authority Administrative Code. All items on the agenda, including information items, may be deliberated and become subject to Committee action. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the San Diego County Water Authority headquarters located at 4677 Overland Avenue, San Diego, CA 92123 at the reception desk during normal business hours.



March 8, 2012

Attention: Legislation, Conservation and Outreach Committee

Draft Water Use Efficiency Policy Principles (Information)

Purpose

The Water Use Efficiency Policy Principles will provide long-term strategic direction for staff in planning and implementing regional water use efficiency initiatives and programs. These policy principles are presented in draft form (Attachment 1) this month, with board action planned for April 2012.

Background

Since the early 1990s, the Water Authority board has implemented an important strategy to enhance regional water supply reliability and reduce dependence on imported water supplies by diversifying its water resources. This diversification strategy includes enhancing the region's water use efficiency. The Water Authority, working with its member agencies, has played a leadership role in water use efficiency through its own programs, through partnerships with its member agencies and other stakeholders, and through sponsorship of legislation.

In July 2007, the Water Authority Board formally adopted "The Blueprint for Water Conservation" as the Water Authority's water use efficiency strategic plan for the next five years. The Blueprint, which was developed with input from member agencies and private sector stakeholders, called for the aggressive implementation of 12 strategies related to landscape conservation, indoor and commercial/institutional/industrial water use, or agricultural water use. Since its adoption, significant changes occurred that influenced regional water use and the direction of water use efficiency programs. Those factors include drought, water shortage conditions and the implementation of mandatory water use restrictions, the economic downturn, and water rate increases. As a result, regional water use steadily declined. Regional water use has not rebounded significantly since the lifting of mandatory water use restrictions in April 2011, remaining about 20 percent below pre-drought levels.

New state mandates also have required changes to the Water Authority's long-term approach to water use efficiency. The Legislature approved a historic package of bills in 2009 to address statewide water supply and quality issues. That package included SBX7-7, which requires retail urban water agencies within the state to achieve a 20 percent reduction in urban per capita use by December 31, 2020 (Water Code Section 10608.20). That requirement calls for the Water Authority's 24 member agencies to collectively achieve 77,000 acre-feet annually of new water use efficiency from their baseline levels by 2020 through demand reductions and increased recycled water. The Water Authority Board incorporated this water savings target into the 2010 update of the Urban Water Management Plan, which estimates this goal will offset 13 percent of the region's water use demands by 2020.

The Water Authority is a wholesale water agency not directly subject to these requirements. However, the Water Code Section 10631(j) of the State's Urban Water Management Planning Act requires that urban water suppliers, including wholesale water agencies, that are members of

the California Urban Water Conservation Council to comply with its Memorandum of Understanding, as amended, in order to be in compliance and eligible for state grant funding. As a wholesale water agency, the Water Authority is responsible for the foundational Best Management Practices, which include utility operations programs, and public outreach and educational programs. When mutually agreeable and beneficial to a wholesaler and its retail agencies, the MOU states the wholesaler may provide financial investments and build partnerships that expedite implementation of reasonable water conservation measures in urban areas.

Discussion

In July 2010, the Board directed staff to evaluate the Blueprint's key strategies and recommend new or modified strategies to reflect changed conditions from when the Blueprint was adopted in 2007. Staff then executed an extensive review process in conjunction with member agency managers and conservation staff to examine and prioritize water conservation activities. In December 2010, the Water Authority Board directed staff to focus on five activities designated as "core" by a majority of member agency managers: residential surveys, K-12 educational programs, landscape audits, maximizing the use of MWD device-based incentive programs, and the development of "how-to" resource tools for member agencies and the region's water users. The Board also directed staff to continue programs and projects that were contractually obligated through grants, MOUs, or other agreements. This direction has shaped the budget for the Water Authority's conservation programs through fiscal year 2013.

The Board's Legislative, Conservation and Outreach Committee adopted its committee goals for calendar years 2011 and 2012 in March 2011. Those goals include a re-evaluation of the long-term goals and objectives of the Water Authority's water use efficiency programs. The attached draft policy principles are intended to fulfill the committee's goal and provide long-term, strategic direction to staff for the evaluation, prioritization, development and implementation of water use efficiency projects, programs, or other efforts affecting the Water Authority, its member agencies, and/or regional water use.

The draft policy principles are divided into five areas – Member Agency Support, Funding/Resources, Program Performance, Outreach and Education, and Regulation and Legislation. They include how the Water Authority may implement and administer regional water use efficiency programs and projects where economies of scale, geography considerations or other member agency circumstances make a regional program more efficient or cost-effective. These policies also provide direction for non-programmatic approaches to enhance water efficiency. These policy principles are intended to be consistent with the Water Authority's positions on the Metropolitan Water District of Southern California's water use efficiency plans and programs. They will also work in conjunction with the portions of the Water Authority's approved Legislative Policy Guidelines related to water use efficiency (Attachment 2).

Prepared by: Meena Westford, Public Affairs Senior Manager

Reviewed by: Jason Foster, Director, Public Outreach and Conservation

Approved by: Dennis A. Cushman, Assistant General Manager

Attachment 1: Draft Water Use Efficiency Policy Principles

Attachment 2: 2012 Legislative Policy Guidelines – Water Use Efficiency, December 2011

SAN DIEGO COUNTY WATER AUTHORITY

DRAFT WATER USE EFFICIENCY POLICY PRINCIPLES

The San Diego County Water Authority is the regional wholesale water supplier for the San Diego region, serving 24 member retail water agencies. In this capacity, the Water Authority is implementing the Best Management Practices required by California Urban Water Conservation Council (CUWCC), as required by the State’s Urban Water Management Planning Act (Water code section 10630-10634)

The CUWCC’s Memorandum of Understanding outlines that the signatory wholesale water agencies are responsible for the implementation and reporting of the Foundational best management practices (BMPs), which include utility operations programs, public outreach and education. When mutually agreeable and beneficial to a wholesaler and its retail agencies, the wholesaler may provide financial investments and build partnerships that expedite implementation of reasonable water conservation measures in urban areas.

The Water Authority board has unanimously approved a strategy to enhance water supply reliability and reduce dependence on imported water supplies by diversifying its water resources, including water use efficiency strategies. The board’s 2010 Urban Water Management Plan includes a goal to reduce demands by 13 percent (103,000 acre-feet) through water use efficiency by 2020. This regional goal reflects the 20x2020 water use efficiency mandates for each of the Water Authority’s 24 member retail agencies set by the State of California under SBX 7-7. Water use efficiency will continue to play an important role in managing the region’s long-term water demand beyond 2020.

To guide the Water Authority on how to most effectively assist its member agencies in meeting the water use efficiency requirements, the Water Authority Board of Directors has established policy principles for increasing water efficiency in the San Diego region. The policy principles include how the Water Authority may implement and administer regional water use efficiency projects and programs where economies of scale, geography considerations or other member agency circumstances make a regional program more efficient or cost-effective. The principles also provide additional direction to Water Authority staff for the evaluation, prioritization, development and implementation of water use efficiency projects or programs affecting the Water Authority, its member agencies, and/or regional water management and use. All policy principles are intended to be consistent with those positions advocated by the Water Authority’s delegates at MWD.

SAN DIEGO COUNTY WATER AUTHORITY WATER USE EFFICIENCY POLICY PRINCIPLES

MEMBER AGENCY SUPPORT – The Water Authority shall:

- a. Work cooperatively with its member agencies to provide regional programs that support the efforts of member agency retail water efficiency programs where appropriate to assist retail member agencies to meet their water use efficiency targets for 2020 established by SBX 7-7.

- b. Implement and administer regional water use efficiency projects and programs where economies of scale, geographic considerations or other member agency circumstances make a regional program more efficient or cost-effective.
- c. Implement and administer water use efficiency programs that ensure proportional benefits for all member agencies.
- d. Provide opportunities for the member agencies and the Water Authority to discuss water use efficiency practices, programs, policies and other related information; facilitate member agency access to resources from industry associations, state and federal agencies, and other external sources.

FUNDING/RESOURCES – The Water Authority shall:

- a. Continue to recognize that water use efficiency offsets the need for providing additional water supplies, and therefore reflect water use efficiency programs as a supply cost through its rate structure.
- b. Pursue a broad, cost-effective strategy for water use efficiency that takes into account legislative action, consumer response to water rates, and programmatic approaches that minimize ratepayer impacts.
- c. Ensure broad regional benefit of water use efficiency programs funded and administered by the Water Authority.
- d. Ensure that the Water Authority and its member agencies receive an equitable share of all water use efficiency programs funded by the Metropolitan Water District of Southern California.
- e. Advocate for water use efficiency programs that provide broad regional benefits funded and administered by MWD, including compliance with Proposition 26 and all other legal requirements.
- f. Seek grants from external organizations where practical to support water use efficiency projects and programs consistent with these policies; use grant funding to leverage or offset ratepayer investments in these programs when possible.
- g. Pursue collaborative partnerships with compatible agencies or organizations to maximize program benefits and potential for cost-sharing and development of water use efficiency programs that offset the demand for imported water.

PROGRAM PERFORMANCE – The Water Authority shall:

- a. Participate in the development and promote cost-effective implementation of Best Management Practices as prescribed by the California Urban Water Conservation Council and Demand Management Measures as defined in the Urban Water Management Planning Act.

- b. Encourage market transformation and behavioral changes among regional water users that lead to sustainable, long-term improvements in regional water use efficiency.
- c. Promote cost-effective water use efficiency programs in all water use sectors.
- d. Provide technical expertise to maximize success of Water Authority and member agency water use efficiency efforts.
- e. Evaluate and report to the Board, member agencies and other pertinent stakeholders on Water Authority water use efficiency program performance.
- f. Support the research and testing of innovative water use efficiency programs that have potential to help the Water Authority or its member agencies meet water use efficiency requirements or goals.

OUTREACH AND EDUCATION – The Water Authority shall:

- a. Bring awareness to the region’s water users that long-term water supplies are vulnerable and using water efficiently is a permanent and on-going responsibility, not just an action in response to drought or other temporary supply constraints.
- b. Enhance outreach and communications to help the region’s water users understand why water rates continue to increase despite lowering demands.
- c. Increase awareness and demand for “WaterSmart” landscapes and other water-efficient products and services;
- d. Promote and increase awareness on the use of alternative water supplies, such as recycled water, greywater and stormwater.
- e. Provide regional communication tools for residential, commercial and other water users to learn more about how they can improve their water use efficiency and available resources to help them achieve it.
- f. Participate at the state and national level to facilitate and advance improved water use efficiency standards and products.

REGULATION/LEGISLATION – The Water Authority shall:

- a. Sponsor and support appropriate water use efficiency-related legislation in accordance with the Water Authority’s current Legislative Policy Guidelines.
- b. Update the Legislative Policy Guidelines related to water use efficiency as necessary to reflect changing water supply or other circumstances.

- c. Advocate for national, state, and regional water use efficiency policies and regulations that are compatible with the needs of the Water Authority and its member agencies.

DRAFT

Water Use Efficiency

The Water Authority has been a statewide leader in sponsoring legislation to improve water use efficiency. The Water Authority championed statewide requirements for ultra-low-flow toilets, high-efficiency clothes washers, water meters, and sponsored legislation that created a statewide task force on outdoor landscape water use efficiency. The Water Authority urged the San Diego delegation to the state Legislature to vote for SBX7-7, which established a statewide goal of a 20 percent reduction in per capita water use by 2020.

The Water Authority generally supports water saving mechanisms, such as graywater use, rainwater capture, submetering, plumbing retrofits, and others. The Water Authority has supported implementation and coordination of Best Management Practices as defined by the California Urban Water Conservation Council and Demand Management Measures under the Urban Water Management Planning Act.

The Water Authority generally opposes statewide requirements for conservation-based water rates that override the rate-setting authority of local boards of directors. The Water Authority also opposes the promulgation of conservation practices or standards that override the authority of local boards of directors.

It shall be the Water Authority's policy to support legislation that:

1. Furthers the statewide goal of a 20 percent reduction in per capita water use by 2020 as set forth in SBX7-7, enacted in November 2009.
2. Promotes statewide implementation of foundational Best Management Practices (BMPs) as defined by the California Urban Water Conservation Council (CUWCC) and Demand Management Measures (DMMs) as defined in the Urban Water Management Planning Act.
3. Provides loans and grants to fund incentives for water-conserving devices or practices.
4. Ensures accurate and meaningful reporting of implementation of water conservation measures.
5. Encourages implementation of effective water management practices for agricultural irrigation.
6. Ensures achievement of urban and agricultural water-use efficiency standards established in the 20 percent by 2020 statute.
7. Designates the CUWCC or other entity representing stakeholder interests as being responsible for developing a framework for determining water agency compliance with water conservation BMPs. This framework should promote water agency incentives for BMP compliance and avoid prescriptive regulations.

8. Encourages the use of graywater for landscape irrigation purposes where it complies with local health department guidelines and regulations and is cost-effective.
9. Establishes standards for the utilization of high-efficiency commercial coin-operated and residential clothes washers.
10. Requires submetering connections to be built in new construction of multiple commercial or residential buildings.
11. Encourages plumbing fixture retrofit upon real property resale.
12. Encourages stakeholders to investigate and develop statewide landscape water conservation standards and regulations.
13. Supports recommendations of the AB 2717 Landscape Taskforce.
14. Restricts Property Owner Associations from forbidding the use of California native plants or other low water use plants in well-maintained landscapes.
15. Restricts Property Owner Associations from forbidding retrofits of multiple unit facilities for the purpose of submetering, if feasible.
16. Ensures plumbing codes and standards that facilitate the installation and/or retrofit of water-saving devices.
17. Provides incentives, funding, and other assistance in meeting the Governor's goal of reducing per capita water use statewide by 20 percent by the year 2020.
18. Provides incentives, funding, and assistance to water agencies so that they can comply with AB 1420 (2007) requirements and meet the coverage requirements for foundational Demand Management Measures in the Urban Water Management Planning Act.
19. Encourages reasonable tracking of water use and improved efficiency in the CII sector.

It shall be the Water Authority's policy to oppose legislation that:

1. Repeals cost-effective efficiency standards for water-using devices.
2. Prescribes statewide mandatory urban water conservation management practices that override the authority of the boards of directors of local water agencies to adopt management practices that are most appropriate for the specific needs of their water agencies.
3. Prescribes mandatory conservation-based rate structures that override the authority of the boards of directors of local water agencies to set rate structures

according to the specific needs of the water agencies.

4. Mandates regulation of the CII Sector in a manner that is discriminatory, or sets unachievable Best Management Practices or compliance targets.

