

## **APPENDIX D**

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### **DROUGHT ALLOCATION PLAN AND WATER CONSERVATION AND SUPPLY SHORTAGE**

- Water Conservation and Supply Shortage Program
- Ordinance 374
- Draft Resolution Updating Water Conservation Stage Five and Six of the District's Retail Customer Water Conservation and Supply Shortage Program
- Drought Allocation Plan

**Water Conservation and Supply Shortage Program**

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**WESTERN MUNICIPAL WATER DISTRICT  
WATER CONSERVATION AND SUPPLY SHORTAGE PROGRAM  
GUIDELINES ADOPTED: MAY 6, 2009**

<b>STAGE 1: ♠ NORMAL WATER SUPPLY ♠</b>	
<p><b>Section 6, Ordinance 374</b></p>	<p style="text-align: center;"><u><b>Baseline Efficiency Actions &amp; Reduction Measures</b></u></p> <ul style="list-style-type: none"> <li>• Landscape watering is prohibited on all days of the week from 8 a.m. to 8 p.m.</li> <li>• Eliminate run-off to adjacent properties or streets.</li> <li>• Equip open hoses with automatic, positive shut-off nozzles.</li> <li>• All leaks, improperly adjusted sprinklers or other water conduits/fixtures that require repair shall be corrected within 96-hours of District notification.</li> <li>• No washing down sidewalks, driveways, patios or other paved or hard surface areas.</li> <li>• Make sure automatic irrigation timers are adjusted according to changing weather patterns and landscape requirements.</li> <li>• Construction operations receiving potable water from a construction meter for water trucks shall not use water for any purpose other than those required by regulatory agencies.</li> </ul>
<b>STAGE 2: ♠ MINIMAL WATER SHORTAGE ♠ 6-10 PERCENT REDUCTION</b>	
<p><b>Section 7, Ordinance 374</b></p> <p><b>Goal: Reduce District water use by 6 to 10%</b></p>	<p style="text-align: center;"><u><b>All Stage 1 efficiency measures remain in effect throughout Stage 2.</b></u></p> <p style="text-align: center;"><u><b>Additional Efficiency Actions &amp; Reduction Measures</b></u></p> <ul style="list-style-type: none"> <li>• All leaks, improperly adjusted sprinklers or other water conduits/fixtures that require repair shall be corrected within 72-hours of District notification.</li> <li>• Properties with odd number street addresses, parks, and public right-of-ways can irrigate landscaping <u>only</u> on Saturdays, Mondays and Wednesdays.</li> <li>• Properties with even number street addresses can irrigate landscaping only on Sundays, Tuesdays and Thursdays.</li> <li>• Limit pop-up spray-type sprinklers to a maximum of 15-minutes <u>total</u> run time on allowed days of irrigation.*</li> <li>• Limit impact, rotor and rotary-nozzle sprinklers to a maximum of 30-minutes <u>total</u> run time on allowed days of irrigation.*</li> <li>• Irrigation controllers that are certified by the Irrigation Association as Smart Water Application Technology <u>and</u> are registered with Western are exempt from run-time and irrigation day requirements during Stages 2 through 4, but not time of day requirements.</li> </ul>
<b>STAGE 3: ♠ MODEST WATER SHORTAGE ♠ 11-15 PERCENT REDUCTION</b>	
<p><b>Section 8, Ordinance 374</b></p> <p><b>Goal: Reduce individual water use by 11 to 15%</b></p>	<p style="text-align: center;"><u><b>All Stage 1 and 2 efficiency measures remain in effect throughout Stage 3.</b></u></p> <p style="text-align: center;"><u><b>Additional Efficiency Actions &amp; Reduction Measures</b></u></p> <ul style="list-style-type: none"> <li>• The District shall determine a Water Budget Allocation amount for each single family residential dwelling, multi family dwelling and each dedicated landscape customer based on specific water use needs, best management practices and efficient use.</li> <li>• Customers shall reduce their own water use by 11 to 15% from Water Budget Allocation for the duration of Stage 3.</li> <li>• Landscape watering is prohibited on Mondays, Fridays.</li> <li>• Food service establishments are prohibited from providing drinking water to any person unless expressly requested.</li> <li>• Commercial lodging establishments shall provide customers the option of not having towels and linens laundered daily.</li> </ul>

\*Note during Stage 2: 15 and 30 minute run-time totals apply to each irrigation system station, NOT the overall total. Example: If your irrigation system contains 5 stations, each may run up to the applicable time period. Western recommends dividing the total run-time for each station into smaller cycles to reduce water run-off.

<b>STAGE 4:     💧 SEVERE WATER SHORTAGE     💧 16-25 PERCENT REDUCTION</b>		
<p><b>Section 9, Ordinance 374</b></p> <p><b>Goal: Reduce individual water use by 16 to 25%</b></p>	<p><b>All Stage 1, 2 and 3 efficiency measures remain in effect throughout Stage 4.</b></p> <p><b><u>Additional Efficiency Actions &amp; Reduction Measures</u></b></p> <ul style="list-style-type: none"> <li>Customers shall reduce their own water use by 16% to 25% from the Water Budget Allocation for the duration of Stage 4.</li> <li>Properties with odd number street addresses, parks, and public right-of-ways can irrigate landscaping <u>only</u> on Saturdays and Wednesdays.</li> <li>Properties with even number street addresses can irrigate landscaping <u>only</u> on Sundays and Thursdays.</li> <li>Washing automobiles, trucks, trailers, boats, and other types of vehicles, at any place except a commercial wash facility, is permitted <u>only</u> on Fridays, Saturdays, Sundays, and Mondays from 6 a.m. to 6 p.m., with a hand-held bucket or a hand-held hose equipped with an automatic, positive shut-off nozzle.</li> <li>The operation of any ornamental fountain, pond, or similar structure is prohibited.</li> </ul>	
<b>STAGE 5:     💧 CRITICAL WATER SHORTAGE     💧 26-40 PERCENT REDUCTION</b>		
<p><b>Section 10, Ordinance 374</b></p> <p><b>Goal: Reduce individual water use by 26 to 40%.</b></p>	<p><b>NOTE: All Stage 1 through 4 efficiency measures remain in effect throughout Stage 5.</b></p> <p><b><u>Additional Efficiency Actions &amp; Reduction Measures</u></b></p> <ul style="list-style-type: none"> <li>Customers shall reduce their own water use by 26-40% from the Water Budget Allocation for the duration of Stage 5.</li> <li>Washing of cars, trucks, trailers, boats and other types of mobile equipment is permitted <b>ONLY</b> on the premises of a commercial car wash.</li> <li>Properties with odd number street addresses, parks, and public right-of-ways can irrigate trees and shrubs <u>only</u> on Saturdays from 8 p.m. to 6 a.m.</li> <li>Properties with even number street addresses may irrigate trees and shrubs <u>only</u> on Sundays from 8 p.m. to 6 a.m.</li> <li>Irrigation Association certified “Smart” irrigation controllers are <u>no longer</u> exempted from staged water shortage requirements.</li> <li>Provided the Board of Directors has declared a Water Shortage Emergency pursuant to California Water Code sections 350 <i>et seq.</i>, the District shall not allow any new meters during Stage 5. (exceptions apply)</li> </ul>	
<b>STAGE 6:     💧 DIRE WATER SHORTAGE     💧 &gt; 40 PERCENT REDUCTION</b>		
<p><b>Section 11, Ordinance 374</b></p> <p><b>Goal: Reduce individual water use by 40% or more</b></p>	<p><b>NOTE: All Stage 1 through 5 efficiency measures remain in effect throughout Stage 6.</b></p> <p><b><u>Additional Efficiency Actions &amp; Reduction Measures</u></b></p> <ul style="list-style-type: none"> <li>Customers shall reduce their water use by 40% or more (as determined by the Board) from the Water Budget Allocation for the duration of Stage 6.</li> <li>All outdoor watering and irrigation of lawns, ground cover and landscaping is prohibited.</li> <li>Provided the Board of Directors has declared a Water Shortage Emergency pursuant to California Water Code sections 350 <i>et seq.</i>, the District shall not allow any new connections to the water system during Stage 6.</li> </ul>	
<b>PENALTIES FOR NON-COMPLIANCE**</b>		
<b>Size of Meter Service</b>	<b>Less than 2-inches</b>	<b>2-inches and larger</b>
1 <sup>st</sup> Violation	Written Notice/Door hanger	Written Notice/Door hanger
2 <sup>nd</sup> Violation	Written Notice & Program Summary	Written Notice & Program Summary
3 <sup>rd</sup> Violation (Stage 1 and 2)	\$100 per day	\$100 per day
3 <sup>rd</sup> Violation (Stages 3 - 6)	\$200 per day	\$300 per day
4 <sup>th</sup> Violation (Stage 1 and 2)	\$200 per day	\$300 per day
4 <sup>th</sup> Violation (Stages 3 - 6)	\$400 per day	\$600 per day
5 <sup>th</sup> & Subsequent Violations	Flow restriction & monetary penalty	Flow restriction, termination & monetary penalty

\*\* Customer appeals and relief from compliance procedures are outlined in Sections 17 and 18 of Ordinance 374. A complete copy of Ordinance 374 can be found at [wmwd.com](http://wmwd.com).

## **Ordinance 374**

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ORDINANCE 374

AN ORDINANCE OF THE WESTERN MUNICIPAL WATER DISTRICT OF RIVERSIDE COUNTY ESTABLISHING A RETAIL CUSTOMER WATER CONSERVATION AND SUPPLY SHORTAGE PROGRAM

WHEREAS, California Constitution article X, section 2 and California Water Code section 100 provide that because of conditions prevailing in the State of California , it is the declared policy of the State that the general welfare requires that the water resources of the State shall be put to beneficial use to the fullest extent of which they are capable, the waste or unreasonable use of water shall be prevented, and the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and the public welfare; and

WHEREAS, pursuant to California Water Code section 106, it is the declared policy of the State that the use of water for domestic use is the highest use of water and that the next highest use is for irrigation; and

WHEREAS, pursuant to California Water Code section 71610.5, the District may undertake a water conservation program to reduce water use and may require, as a condition of new service, that reasonable water-saving devices and water reclamation devices be installed to reduce water use; and

WHEREAS, pursuant to California Water Code section 71640, the District may restrict the use of District water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the wastage of District water or the use of District water during such periods for any purpose other than household uses or such

other restricted uses as the District determines to be necessary. The District may also prohibit use of District water during such periods for specific uses which it finds to be nonessential. Pursuant to Water Code section 71641, the District may prescribe and define by ordinance the restrictions, prohibitions, and exclusions referred to in section 71640; and

WHEREAS, pursuant to California Water Code section 375, the Board of Directors is authorized to adopt and enforce a water conservation program to reduce the quantity of water used by Persons within its jurisdiction for the purpose of conserving the water supplies of the District; and

WHEREAS, on June 4, 2008, the Governor of the State proclaimed a condition of statewide drought and strongly encouraged local agencies to take aggressive, immediate action to reduce water consumption locally and regionally for the remainder of 2008 and prepare for potentially worsening conditions in 2009; and

WHEREAS, On February 27, 2009 the Governor of the State proclaimed a STATE OF EMERGENCY to exist in California resulting from below average snow pack, precipitation, dwindling reservoir storage and new federal biological opinions that have reduced the flexibility of water operations on the State Water Project and has requested that urban water users immediately increase water conservation activities and agricultural water users implement appropriate efficiency and water management practices; and

WHEREAS, because of the prevailing conditions in the State, the current statewide drought, and the declared policy of the State that the District manage its water resources for the general welfare to ensure their

beneficial use to the fullest extent of which they are capable, the District hereby finds and determines that it is necessary and appropriate for the District to adopt, implement, and enforce a water conservation and supply shortage program ("Program") to reduce the quantity of water used by consumers within the District to ensure that there is sufficient water for human consumption, sanitation, and fire protection; and

WHEREAS, pursuant to California Water Code section 350, the Board of Directors is authorized to declare a Water Shortage Emergency to prevail within its jurisdiction when it finds and determines that the District will not be able to or cannot satisfy the ordinary demands and requirements of water consumers without depleting the water supply of the District to the extent that there would be insufficient water for human consumption, sanitation, and fire protection, and as more fully set forth in this ordinance; and

WHEREAS, the Board of Directors hereby finds and determines that in the event the District determines that it is necessary to declare that a Water Shortage Emergency exists, the District will be authorized pursuant to this ordinance to implement supply shortage response measures and a water conservation and regulatory program to regulate water consumption activities within the District and ensure that the water delivered in the District is put to beneficial use for the greatest public benefit, with particular regard to domestic use, including human consumption, sanitation, and fire protection, and that the waste or unreasonable use of water is prevented; and

WHEREAS, the Board of Directors is authorized and hereby finds and determines that it is necessary to prescribe and define by ordinance restrictions,

prohibitions, and exclusions for the use of water during a threatened or existing water shortage and adopt and enforce a water conservation and regulatory program to: (i) prohibit the wastage of District water or the use of District water during such period; (ii) prohibit use of water during such periods for specific uses which the District may from time to time find nonessential; and (iii) reduce and restrict the quantity of water used by those Persons within the District for the purpose of conserving the water supplies of the District; and

WHEREAS, the Board of Directors hereby finds and determines that the District shall: (i) implement water conservation and supply shortage response measures; (ii) regulate the water consumption activities of Persons within the District for the purposes of conserving and protecting the District's water supplies, reducing the quantity of water consumed, and deterring and preventing the waste or unreasonable use or unreasonable method of use of valuable water resources; and (iii) establish and collect regulatory fees and impose fines and penalties as set forth herein to accomplish these purposes and recover the costs of the District's water conservation and regulatory program; and

WHEREAS, the Board of Directors hereby finds and determines that it is desirable to adopt the Program in order to codify the rules and regulations governing its actions, and the actions of Persons using and consuming water within the District, particularly during declared water shortages and water shortage emergencies, to protect the general welfare and the District's water supplies, and to reduce water consumption all in accordance with the declared policies and laws of the State; and

WHEREAS, the Board of Directors hereby further finds and determines that this ordinance and the Program set

forth herein are in the public interest and serve the public purpose of the District.

WHEREAS, a notice of a public hearing regarding the proposed adoption of this Ordinance was published in the Press Enterprise, a newspaper of general circulation at least seven (7) days prior to the hearing; and

WHEREAS, a public hearing regarding the proposed adoption of this Ordinance was conducted on May 6, 2009 at 6:00pm, or as soon thereafter as practicable; and

**BE IT ORDAINED** by the Board of Directors of the Western Municipal Water District of Riverside County as follows:

**Section 1. Recitals**

The Board of Directors hereby finds and determines that the above recitals are true and correct and incorporated herein.

**Section 2. Findings and intent**

(A) The Board of Directors finds and determines that because of the prevailing conditions in the State, and the declared policy of the State, it is necessary and appropriate for the District to adopt, implement, and enforce this Program to reduce the quantity of water used by Persons within the District to ensure that there is sufficient water for human consumption, sanitation, and fire protection. The District further finds and determines that during periods of drought, water shortages, and water shortage emergencies the general welfare requires that the District maximize the beneficial use of its available water resources to the extent that it is capable, and that the waste or unreasonable use, or unreasonable method of use of water shall be prevented and the conservation of water is to be extended with the view to the reasonable and beneficial use thereof in the interests of the people of

the District and for the public health, safety, and welfare.

(B) This ordinance adopts the Program which establishes water conservation and supply shortage response measures and regulations to be implemented during declared water conservation stages.

(C) This ordinance adopts the Program which establishes six (6) stages of water conservation and supply shortage response measures to be implemented by the District, with increasing restrictions on water use in response to decreasing water supplies and worsening drought conditions.

**Section 3. Purpose and scope**

(A) The purposes of the water conservation provisions of this ordinance and Program are to assure the highest beneficial use of District water supplies and to provide sufficient water supplies to meet the basic needs of human consumption, sanitation, and fire protection within the District's direct retail service area.

(B) This ordinance is not intended to repeal, abrogate, annul, impair or in any way interfere with the free use of property by covenant, deed, or other private agreement or with restrictive covenants running with the land to which the District provides water services.

(C) The provisions of this ordinance shall apply to all Persons within the District's direct retail service area and all property served in a retail capacity by the District wherever situated.

(D) Nothing in this ordinance is intended to affect or limit the ability of the District to respond to an emergency, including an emergency that affects the ability of the District to supply water.

**Section 4. Definitions**

For the purposes of this ordinance, the following words, terms, and phrases shall have the following meanings:

(A) "Appellant" means the Person appealing a decision of the Approving Authority, General Manager or other District official.

(B) "Approving Authority" means the General Manager of the District, or his or her designee, charged with approving or denying written applications for Relief.

(C) "Board of Directors" means the Board of Directors of the District.

(D) "Conservation Offset" means the implementation of proven conservation techniques which, when installed, will result in a reduction equal to demand of a new proposed use.

(E) "District" means the Western Municipal Water District.

(F) "Enforcement Officer" means any individual employed or otherwise charged by the District to inspect or enforce codes, ordinances, mandates, regulations, resolutions, rules or other laws adopted by the Board of Directors or other regulatory bodies.

(G) "General Manager" means the General Manager of the District or his or her designee.

(H) "Person" means any natural person, firm, joint venture, joint stock company, partnership, public or private association, club, company, corporation, business trust, organization, public or private agency, government agency or institution, school district, college, university, any other user of water provided by the District, or the manager, lessee, agent, servant, officer

or employee of any of them or any other entity which is recognized by law as the subject of rights or duties.

(I) "Property Owner" means the record owner of real property based on the Riverside County Assessor's records.

(J) "Recycled Water" means municipal wastewater that has been treated to meet all applicable federal, state and local standards for use in approved applications, including but not limited to agricultural and landscape irrigation.

(K) "Relief" means excuse from compliance with the regulations and restrictions on water use contained in this ordinance.

(L) "State" means the state of California.

(M) "Water Customer" or "Customer" means a Person who, according to the District's records, receives water service to a parcel of property.

(N) "Water Shortage Emergency" means a condition existing within the District in which the ordinary water demands and requirements of Persons within the District cannot be satisfied without depleting the water supply of the District to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. A Water Shortage Emergency includes both an immediate emergency, in which the District is unable to meet current water needs of Persons within the District, as well as a threatened water shortage, in which the District determines that its supply cannot meet an increased future demand.

**Section 5. Water Conservation and unreasonable uses of water.**

(A) It is unlawful at any time for any Person to make, cause, or use or permit the use of water from the

District for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this ordinance, or in an amount in excess of that use permitted by the water conservation stages which are in effect pursuant to this ordinance or by action taken by the Board of Directors in accordance with this ordinance. The water conservation and supply shortage response measures set forth in this Section 5 shall be in effect at all times.

(B) It is unlawful at any time for any Person to waste water or to use it unreasonably. Unreasonable uses of water shall include, but are not limited to, the following practices:

(1) allowing water to leave the Person's property by drainage onto adjacent properties or public or private roadways or streets due to excessive irrigation and/or uncorrected leaks;

(2) failing to repair a water leak;

(3) using water to wash down sidewalks, driveways, parking areas, tennis courts, patios or other paved areas, except to alleviate immediate safety or sanitation hazards; and

(4) watering lawns and/or groundcovers and irrigating landscaping between the hours of 8:00 a.m. and 8:00 p.m.

(C) A water conservation stage shall be determined by the Board of Directors in accordance with the provisions of this ordinance and this Program. A water conservation stage shall remain in full force and effect until otherwise determined or discontinued by resolution of the Board of Directors declaring that existing water supply conditions and the supply of water available for

distribution within the District's service area has been replenished or augmented.

(D) The District may declare a Water Shortage Emergency during any water conservation stage.

(E) During Water Conservation Stages One (1) through Six (6), the water conservation and supply shortage response measures are mandatory and violations are subject to criminal, civil, and administrative penalties and remedies as specified in this ordinance and by State law.

**Section 6. Water Conservation Stage One - Normal Water Supply**

Water Conservation Stage One is also referred to as a "Normal Water Supply" and applies during periods when the District is able to meet all of the water demands of its Customers. Water Conservation Stage One is in effect at all times unless the Board of Directors otherwise declares that another water conservation stage is in effect pursuant to this ordinance and this Program. Water is a limited natural resource and must be used efficiently to meet the health and safety needs of the community. All normal water efficiency programs and water conservation regulations of the District will be in full force and effect during Water Conservation Stage One.

(A) All irrigators shall ensure automatic irrigation timers are adjusted according to changing weather patterns and landscape requirements.

(B) All open hoses shall be equipped with automatic, positive shut-off nozzles.

(C) All swimming pools, spas, ponds, and fountains shall be equipped with re-circulating pumps.

(D) All plumbing leaks, improperly adjusted sprinklers, or other water conduits/fixtures that require repair or adjustment shall be corrected to the satisfaction

of the District within 96 hours of notification by the District. The District will attempt to contact customers by phone, mail or printed "door-hanger" to alert of a required repair or adjustment. All customers shall ensure that the District has current telephone contact information.

(E) No Person shall use water to wash down sidewalks, driveways, parking areas, tennis courts, patios, or other paved or hard surface areas, except to alleviate immediate fire or sanitation hazards, and then only by use of a hand-held bucket or similar container, a hand-held hose equipped with an automatic, positive self-closing shut-off device or a low volume, high-pressure cleaning machine.

(F) No Person shall allow water to leave his or her property by drainage onto adjacent properties or public or private roadways or streets due to excessive irrigation and/or uncorrected leaks.

(G) The washing of automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment, is permitted at any time with a hand-held bucket or a hand-held hose equipped with an automatic, positive shut-off nozzle. Washing may be done at any time on the immediate premises of a commercial car wash or commercial service station, or by a licensed mobile detailing/car wash professional using low volume, high pressure washing equipment. Further, such washings are exempted from these regulations where the health, safety, and welfare of the public is contingent upon frequent vehicle cleanings, such as garbage trucks and vehicles used to transport food and perishables.

(H) Construction operations receiving water from a construction meter or water truck shall not use water for any purpose other than those required by regulatory

agencies. Construction projects requiring watering for new landscaping materials shall adhere to the designated irrigation requirements set forth in Section 6(A) hereof.

**Section 7. Water Conservation Stage Two - Minimal Water Shortage**

(A) Water Conservation Stage Two is also referred to as a "Minimal Water Shortage" and applies during periods when a reasonable probability exists that the District will not be able to meet all of the water demands of its Customers. Water Conservation Stage Two may be caused by, but is not limited to, any or all of the following circumstances or events:

(1) a regional water supply shortage exists and a public outreach campaign is being implemented asking or requiring all Persons to reduce water use;

(2) delivery infrastructure such as storage reservoirs, pipes, pumps, filtration devices or groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);

(3) alternative water supplies are limited or unavailable; and

(4) groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional Water Quality Control Board, Riverside County, or some other regulatory body.

(B) The objective of the measures undertaken in Water Conservation Stage Two is to reduce water system consumption within the District by six to ten percent (6 to 10%).

(C) Except as otherwise provided in this Section 7, all water conservation and supply shortage response measures of Water Conservation Stage One shall be in full force and effect during Water Conservation Stage Two. Upon declaration of a Water Conservation Stage Two by the Board of Directors, implementation by the District and publication of notice, the following water conservation and supply shortage response measures shall apply:

(1) Lawns and/or ground covers may be watered and landscaping may be irrigated, including construction meter irrigation, only during the following designated hours and designated days:

(a) lawns and/or ground cover may be watered and landscaping may be irrigated for properties with odd number street addresses, parks, and the public right of ways, only on Saturdays, Mondays, and Wednesdays between the hours of 8:00 p.m. to 8:00 a.m.;

(b) lawns and/or ground cover may be watered and landscaping may be irrigated for properties with even number street addresses only on Sundays, Tuesdays, and Thursdays between the hours of 8:00 p.m. to 8:00 a.m.; and

(c) pop-up spray-type sprinklers shall be limited to a maximum of 15 minute total run-time on the allowed days of irrigation. Impact, rotor and rotary-nozzle sprinklers shall be limited to a maximum 30 minute total run-time on the allowed days of irrigation.

(d) all irrigators shall ensure automatic irrigation timers are adjusted according to changing weather patterns and landscape requirements.

(e) watering lawns and/or ground cover and irrigating landscaping is prohibited on Fridays.

(2) Customers with self-adjusting irrigation controllers identified by, and currently listed on, the Irrigation Association's web site as Smart Water Application Technology (SWAT), shall be exempted from Section 7(C)(1) hereof provided the presence of such technology has been registered with the District.

(3) All irrigation timers that are either not self-adjusting, not listed on the Irrigation Association's web site for Smart Water Application Technology, or not registered with the District shall be adjusted to comply with the provisions of Section 7(C)(1) hereof.

(4) Notwithstanding the provisions of Section 7(C)(1) hereof, the use of recycled water to irrigate fruit trees, lawns and ground covers, and ornamental trees and shrubs, is permitted on any day of the week pursuant to the specific rules and regulations that govern its use.

(5) All plumbing leaks, improperly adjusted sprinklers, or other water conduits/fixtures that require repair or adjustment shall be corrected to the satisfaction of the District within 72 hours of notification by the District. The District will attempt to contact customers by phone, mail or printed "door-hanger". All customers shall ensure that the District has current telephone contact information.

(6) Use of water from fire hydrants shall be limited to fire fighting and related activities, activities necessary to maintain the health, safety, and welfare of the public or other uses approved by the District.

(7) Construction operations receiving water from a construction meter or water truck shall not use

water for any purpose other than those required by regulatory agencies. Construction projects requiring watering for new landscaping materials shall adhere to the designated irrigation requirements set forth in Section 7(C)(1) hereof.

**Section 8. Water Conservation Stage Three - Modest Water Shortage**

(A) Water Conservation Stage Three is also referred to as a "Modest Water Shortage" and applies during periods when a reasonable probability exists that the District will not be able to meet all of the water demands of its Customers. Water Conservation Stage Three may be caused by, but is not limited to, any or all of the following circumstances or events:

(1) a regional water supply shortage exists and a public outreach campaign is being implemented asking or requiring all Persons to reduce water use;

(2) delivery infrastructure such as storage reservoirs, pipes, pumps, filtration devices or groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);

(3) alternative water supplies are limited or unavailable; and

(4) groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional Water Quality Control Board, Riverside County, or some other regulatory body.

(B) The objective of the measures undertaken in Water Conservation Stage Three is to reduce water system

consumption within the District by eleven to fifteen percent (11 to 15%).

(C) Except as otherwise provided in this Section 8, all water conservation and supply shortage response measures of Water Conservation Stages One and Two shall be in full force and effect during Water Conservation Stage Three. Upon declaration of a Water Conservation Stage Three by the Board of Directors, implementation by the District and publication of notice, the following water conservation and supply shortage response measures shall apply:

(1) The District shall determine a water budget allocation amount for each single family residential dwelling, multi family dwelling or complex and each dedicated landscape customer based on specific water use needs, best management practices and efficient use ("Water Budget Allocation"). Water Budget Allocations may be divided in to daily, monthly and/or annual periods. Water customers shall reduce their water consumption by eleven percent (11%) to fifteen percent (15%) from the Water Budget Allocation for the duration of Water Conservation Stage Three. Provided, however, the Water Budget Allocation for any subsequent fiscal year shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage Three for more than twelve (12) months.

(2) Water Customers are encouraged to read their water meters at least once each month to monitor their water consumption.

(3) Eating or drinking establishments, including but not limited to a restaurant, hotel, café, cafeteria, bar, club or other public place where food or drinks are sold, served, or offered for sale, are

prohibited from providing drinking water to any person unless expressly requested.

(4) Hotels, motels and other commercial lodging establishments shall provide customers the option of not having towels and linen laundered daily. Commercial lodging establishments shall prominently display notice of this option in each bathroom using clear and easily understood language.

**Section 9. Water Conservation Stage Four - Severe Water Shortage**

(A) Water Conservation Stage Four is also referred to as a "Severe Water Shortage" and applies during periods when the District will not be able to meet all of the water demands of its Customers. Water Conservation Stage Four may be caused by, but is not limited to, any or all of the following circumstances or events:

(1) a regional or statewide water supply shortage exists and a public outreach campaign is being implemented asking or requiring all Persons to reduce water use;

(2) delivery infrastructure such as storage reservoirs, pipes, pumps, filtration devices or groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);

(3) alternative water supplies are limited or unavailable; and

(4) groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional Water Quality Control Board, Riverside County, or some other regulatory body.

(B) The objective of the measures undertaken in Water Conservation Stage Four is to reduce water system consumption within the District by sixteen to twenty-five percent (16 - 25%).

(C) Except as otherwise provided in this Section 9, all water conservation and supply shortage response measures of Water Conservation Stages One, Two and Three shall be in full force and effect during Water Conservation Stage Four. Upon declaration of a Water Conservation Stage Four by the Board of Directors, implementation by the District and publication of notice, the following water conservation and supply shortage response measures shall apply:

(1) Water Customers shall reduce their water consumption by sixteen percent (16%) to twenty-five percent (25%) from the Water Budget Allocation for the duration of Water Conservation Stage Four. Provided, however, the Water Budget Allocation for any subsequent fiscal year shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage Four for more than twelve (12) months.

(2) Lawns and/or ground cover may be watered and landscaping may be irrigated, including construction meter irrigation, only during the following designated days:

(a) lawns and/or ground cover may be watered and landscaping may be irrigated for properties with odd number street addresses, parks, and public right-of-ways, only on Saturdays and Wednesdays.;

(b) lawns and/or ground cover may be watered and landscaping may be irrigated for properties

with even number street addresses only on Sundays and Thursdays; and

(c) pop-up spray-type sprinklers shall be limited to a maximum of 15 minute total run-time on the allowed days of irrigation. Impact, rotor and rotary-nozzle sprinklers shall be limited to a maximum 30 minute total run-time on the allowed days of irrigation.

(d) All irrigators shall ensure automatic irrigation timers are adjusted according to changing weather patterns and landscape requirements.

(e) watering lawns and/or ground cover and irrigating landscaping is prohibited on Mondays and Fridays.

(3) Customers with self-adjusting irrigation controllers identified by, and currently listed on, the Irrigation Association's web site as Smart Water Application Technology (SWAT), shall be exempted from Section 9(C)(2) hereof provided the presence of such technology has been registered with the District.

(4) Notwithstanding the provisions of Section 9(C)(2) hereof, the use of recycled water to irrigate fruit trees, lawns and ground covers, and ornamental trees and shrubs, is permitted on any day pursuant to the specific rules and regulations that govern its use.

(5) Irrigation timers shall be adjusted to comply with the provisions of Section 9(C)(2) hereof.

(6) The washing of automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment is permitted only during the hours of 6:00 a.m. to 6:00 p.m. on Fridays, Saturdays, Sundays, and Mondays with a hand-held bucket or a hand-held hose equipped with an automatic, positive shut-off nozzle. Washing is

permitted at any time on the immediate premises of a commercial car wash. The use of water by all types of commercial car washes not using partially reclaimed or recycled water may be reduced in volume by an amount determined by the Board of Directors. Licensed mobile detailing/car wash professionals shall use only the minimal amount of water necessary and shall capture and reuse as much water as is practical. Further, such washings are exempt from these regulations where the health, safety, and welfare of the public is contingent upon frequent vehicle cleanings, such as garbage trucks and vehicles used to transport food and perishables.

(7) The overfilling of swimming pools and spas is prohibited. The filling or refilling of ponds, streams, and artificial lakes is prohibited.

(8) The operation of any ornamental fountain or similar structure is prohibited.

(9) Construction projects requiring water for new landscapes shall adhere to the designated days and times as set forth in Section 9(C)(2) hereof. Further, construction projects necessary to maintain the health, safety, and welfare of the public are exempt from these regulations.

**Section 10. Water Conservation Stage Five - Critical Water Shortage**

(A) Water Conservation Stage Five is also referred to as a "Critical Water Shortage" and applies during periods when the District will not be able to meet all of the water demands of its Customers. Water Conservation Stage Five may be caused by, but is not limited to, any or all of the following circumstances or events:

(1) a regional or statewide water supply shortage exists and a public outreach campaign is being implemented asking or requiring Persons to reduce water use;

(2) delivery infrastructure such as storage reservoirs, pipes, pumps, filtration devices or groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);

(3) alternative water supplies are limited or unavailable;

(4) groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional Water Quality Control Board, Riverside County, or some other regulatory body; and

(5) a major failure of any supply or distribution facility, whether temporary or permanent, occurs in the water distribution system of the State, The Metropolitan Water District of Southern California, or District water facilities.

(B) The objective of the measures undertaken in Water Conservation Stage Five is to reduce water consumption within the District by twenty-six to forty percent (26-40%).

(C) Except as otherwise provided in this Section 10, all water conservation and supply shortage response measures of Water Conservation Stages One, Two, Three and Four shall be in full force and effect during Water Conservation Stage Five. Upon declaration of a Water Conservation Stage Five by the Board of Directors, implementation by the District and publication of notice,

the following water conservation and supply shortage response measures shall apply:

(1) Water Customers shall reduce their water consumption by twenty-six to forty percent (26-40%) from the Water Budget Allocation for the duration of Water Conservation Stage Five. Provided, however, the Water Budget Allocation for subsequent fiscal years shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage Four for more than twelve (12) months.

(2) Irrigation of landscaping shall be limited to supporting minimal survival of trees and shrubs. Trees and shrubs may be irrigated, including construction meter irrigation, only during the following designated hours and designated days:

(a) properties with odd number street addresses, parks, and public right of ways may irrigate trees and shrubs only on Saturdays between the hours of 8:00 p.m. and 6:00 a.m.;

(b) properties with even number street addresses may irrigate trees and shrubs only on Sundays between the hours of 8:00 p.m. and 6:00 a.m.; and

(c) irrigating landscaping is prohibited on Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays.

(3) Notwithstanding the irrigation requirements identified in Water Conservation Stages 1 through 4, customers with self-adjusting irrigation controllers identified by, and currently listed on, the Irrigation Association's web site as Smart Water Application Technology (SWAT), are NOT exempted from Section 10(C)(2) hereof.

(4) Notwithstanding the provisions of Section 10(C)(2) hereof, the use of recycled water to irrigate fruit trees, lawns and ground covers, and ornamental trees and shrubs, is permitted on any day pursuant to the specific rules and regulations that govern its use.

(4) All outdoor watering and irrigation of lawns and lawn-like ground covers is prohibited with the exception of plant materials classified and determined by the General Manager to be rare, exceptionally valuable, or essential to the well being of the public at large or rare animals.

(5) The washing of automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment at any location except a licensed commercial wash facility or by a licensed mobile detailing service with low-volume, high-pressure equipment is prohibited. Commercial car washes shall only use partially reclaimed or recycled water for washing automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment. Licensed mobile detailing/car wash professionals shall use only the minimal amount of water necessary and shall capture and reuse as much water as is practical. Further, such washings are exempt from these regulations where the health, safety and welfare of the public is contingent upon frequent vehicle cleanings, such as garbage trucks and vehicles used to transport food and perishables.

(6) The filling, refilling, or adding of water to swimming pools, spas, ponds, streams, and artificial lakes is prohibited.

(7) The operation of any ornamental fountain, pond, or similar structure is prohibited.

(8) The use of water for cooling mists is prohibited.

(9) The use of water for commercial, manufacturing, or processing purposes may be reduced in volume by an amount determined by the Board of Directors.

(10) Provided the Board of Directors has declared a Water Shortage Emergency pursuant to California Government Code sections 350 *et seq.*, no new construction meters will be issued. Construction water shall not be used for earth work, road construction purposes, dust control, compaction, or trenching jetting. Construction projects necessary to maintaining the health, safety, and welfare of the public are exempt from these regulations.

(11) Provided the Board of Directors has declared a Water Shortage Emergency pursuant to California Water Code sections 350 *et seq.*, except as to property for which a building permit has been heretofore issued, no new water meter(s) shall be provided, except in the following circumstances:

(a) for projects necessary to protect the public's health, safety, and welfare;

(b) when using recycled water;

(c) when the recipient of the water meter can demonstrate that no net increase in water use will occur; or

(d) where the recipient of the water meter provides a Conservation Offset. A Conservation Offset may be affected by paying a fee established by the District in an amount necessary to cover the cost of implementing such conservation techniques or acquiring alternative water sources. The fee will be based on the Conservation Offset required to meet the projected demand of the proposed project. Such fee shall apply to residential as well as

commercial and industrial buildings, and may be adjusted from time to time as determined by the District. The existence and application of a Conservation Offset, and the amount of the fee and other terms and conditions for any Conservation Offset, shall be determined in the District's sole discretion. The existence and application of any such water meter moratorium or other similar restrictions shall be determined by separate and subsequent action of the Board of Directors.

**Section 11. Water Conservation Stage Six - Dire Water Shortage**

(A) Water Conservation Stage Six is also referred to as a "Dire Water Shortage" and applies during periods when the District will not be able to meet all of the water demands of its Customers. Water Conservation Stage Six may be caused by, but is not limited to, any or all of the following circumstances or events:

(1) a regional or statewide water supply shortage exists and a regional public outreach campaign is being implemented asking or requiring all Persons to reduce water use;

(2) delivery infrastructure such as storage reservoirs, pipes, pumps, filtration devices or groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);

(3) alternative water supplies are limited or unavailable;

(4) groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional

Water Quality Control Board, Riverside County, or some other regulatory body; and

(5) a major failure of any supply or distribution facility, whether temporary or permanent, occurs in the water distribution system of the State, The Metropolitan Water District of Southern California or District water facilities and the District cannot meet all of the water demands of its Customers.

(B) The objective of the measures undertaken in Water Conservation Stage Six is to reduce water consumption by more than forty percent (40%).

(C) Except as otherwise provided in this Section 11, all water conservation and supply shortage response measures of Water Conservation Stages One, Two, Three, Four and Five shall be in full force and effect during Water Conservation Stage Six. Upon declaration of a Water Conservation Stage Six by the Board of Directors, implementation by the District and publication of notice, the following water conservation and supply shortage response measures shall apply:

(1) Water Customers shall reduce their water consumption by more than forty percent (40%) from the Water Budget Allocation for the duration of Water Conservation Stage Six. The specific amount and requirements for said reduction shall be determined by the Board of Directors. Provided, however, the Water Budget Allocation for subsequent fiscal years shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage Six for more than twelve (12) months.

(2) All outdoor watering and irrigation of lawns and ground cover, and landscaping is prohibited, with the exception of the use of recycled water to irrigate

fruit trees, lawns and ground covers, and ornamental trees and shrubs, which is permitted on any day pursuant to the specific rules and regulations that govern its use.

(3) Provided the Board of Directors has declared a Water Shortage Emergency pursuant to California Water Code sections 350 *et seq.*, the District shall not allow any new connections to the water system during Water Conservation Stage Six (6). The existence and application of any such new connection moratorium or other similar restrictions shall be determined by separate and subsequent action by the Board of Directors.

## **Section 12. Mandatory Conservation Stage**

### **Implementation**

(A) The General Manager shall monitor the projected supply and demand for water by Water Customers on a daily basis during periods of a water shortage or supply shortage and shall recommend to the Board of Directors the extent of the conservation required through the implementation and/or termination of particular water conservation stages to prudently plan and supply water to Water Customers. Thereafter, the Board of Directors may order the implementation or termination of the appropriate water conservation stage.

(B) The declaration of any water conservation stage beyond Water Conservation Stage One shall be made by resolution of the Board of Directors. Within ten (10) calendar days of the adoption of the resolution declaring the applicable Water Conservation Stage, the District shall make a public announcement of the applicable Water Conservation Stage, which shall be published a minimum of three (3) times for three (3) consecutive weeks. Three (3) publications in a newspaper regularly published once a week or more often, with at least five (5) days intervening

between the respective publication dates not counting such publication dates, are sufficient. Such declaration and notice shall provide the extent, terms, and conditions respecting the use and consumption of water in accordance with the applicable water conservation stage as provided in this ordinance. Upon such declaration and publication of such notice, due and proper notice shall be deemed to have been given each and every Person supplied water within the District. The water conservation stage designated shall become effective immediately upon announcement.

(C) The declaration of a Water Shortage Emergency during any water conservation stage shall be made in accordance with California Water Code sections 350 *et seq.*

(D) The General Manager or his/her designee shall have the authority, under the applicable law and District policy, to take any and all action which may be necessary in the event of an emergency and/or Water Shortage Emergency as defined in the applicable law and District policy. For example, and not by way of limitation, said emergency may require the General Manager or his/her designee to take action prior to obtaining any required approval of the Board, which approval shall be sought as soon as practicable and in accordance with any applicable requirements under the law or District policy.

**Section 13. Violations and remedies**

(A) Criminal Violation. It shall be unlawful for any Person to willfully violate the provisions of this ordinance. Any violation of the provisions of this ordinance shall be a misdemeanor, unless made an infraction by the prosecutor, subject to imprisonment in the county jail for not more than thirty (30) days or by fine not to

exceed \$1,000, or by both as provided in California Water Code section 377.

(B) Cease and Desist Order. The General Manager may issue a cease and desist order directing the Property Owner, or occupant, or other Person in charge of day-to-day operations of any property, and/or any other Person responsible for a violation of this ordinance to:

(1) immediately discontinue any prohibited use of water pursuant to this ordinance;

(2) immediately cease any activity not in compliance with the terms, conditions, and requirements of this ordinance.

(C) Civil Action. In addition to any other remedies provided in this ordinance, any violation of this ordinance may be enforced by civil action brought by the District. In any such action, the District may seek, and the court may grant, as appropriate, any or all of the following remedies:

(1) a temporary and/or permanent injunction;

(2) assessment of the violator for the costs of any investigation which led to the establishment of the violation and for the reasonable costs of preparing and bringing legal action under this ordinance;

(3) any other costs incurred in enforcing the provisions of this ordinance;

(4) assessments under this subsection shall be paid to the District to be used exclusively for costs associated with implementing or enforcing the water conservation and regulatory provisions of this ordinance.

(D) Cumulative. All remedies provided herein shall be cumulative and not exclusive.

(E) On-going. A Person shall be deemed guilty of a separate offense for each and every day or portion

thereof during which any violation of any provision of this ordinance is committed, continued, or permitted.

**Section 14. Notices**

(A) Any notice, notice of violation, cease and desist order, and administrative compliance order shall be served pursuant to the requirements of this ordinance and shall:

(1) identify the provision(s) of this ordinance and any State law, if applicable, alleged to have been violated; and

(2) state that continued noncompliance may result in civil, criminal, or administrative enforcement actions against the Person who committed the violation, or the Property Owner and/or occupant of the property where the violation occurred; and

(3) state a compliance date that must be met by the Person who committed the violation, or the Property Owner and/or occupant of the property where the violation occurred; and

(4) order remediation work, where applicable, that must be taken by the Property Owner and/or occupant of the property; and

(5) state that the recipient has a right to appeal the matter as set forth in this ordinance; and

(6) include the address of the affected property and be addressed to the Property Owner as shown on the most recently issued equalized assessment roll or as may otherwise appear in the current records of the District. If the order applies to a responsible party who is not the Property Owner, or if the event is not related to a specific property, the notice may be sent to the last known address of the responsible party; and

(7) be deemed served ten (10) business days after posting on the property, if the Property Owner or occupant of the affected property cannot be located after the reasonable efforts of the General Manager.

(B) Any notice, notice of violation, cease and desist order, and administrative compliance order may be sent by regular mail. Service by regular mail is effective on the date of mailing.

(C) The notice of violation may include, where deemed applicable by the General Manager, the following terms and conditions:

(1) specific steps or actions and time schedules for compliance as reasonably necessary to prevent future violations of this ordinance; and

(2) specific steps or actions and time schedules for compliance as necessary to prevent further violations; and

(3) any other terms, conditions, or requirements reasonably calculated to prevent continued or threatened future violations of this ordinance, including, but not limited to, discontinuing or limiting water service with the installation of a flow restricting device.

(D) In addition to or in conjunction with the notice of violation, for a first violation of any provision of this ordinance, within two (2) weeks of the violation:

(1) the District may provide notice to the Property Owner or occupant of the property where the violation occurred to advise such Person of:

(a) the water conservation stage then in effect and the provisions of this ordinance relating thereto;

(b) water conservation and supply shortage response measures that are required and may be implemented pursuant to this ordinance;

(c) possible consequences and actions which may be taken by the District for future violations of this ordinance, including discontinuance of water service;

(d) penalties that may be imposed for the specific violation and any future violations of this ordinance; and

(2) if the General Manager deems it to be appropriate, the District may order the installation of a flow-restricting device on the service line for any Person who violates any term or provision of this ordinance.

(E) In addition to or in conjunction with the notice of violation, for a second or any subsequent violation of this ordinance, within two (2) weeks of the violation:

(1) the District may provide notice to the property where the violation occurred to notify the Property Owner or occupant of the property where the violation occurred to advise such Person of:

(a) the water conservation stage then in effect and the provisions of this ordinance relating thereto;

(b) the water conservation and supply shortage response measures that are required and may be implemented by such Person; and

(c) possible consequences which may occur in the event of any future violations of this ordinance;

(2) if the General Manager deems it to be appropriate, the District may order the installation of a

flow-restricting device on the service line for any Person who violates any term or provision of this ordinance;

(3) if the General Manager deems it to be appropriate, the District may discontinue water service at the location where the violation occurred.

(F) The District may, after one (1) written notice of violation, order that a special meter reading or readings be made in order to ascertain whether wasteful or unreasonable use of water is occurring. The District may impose a meter reading fee for each meter reading it conducts pursuant to this ordinance.

**Section 15. Administrative compliance order and penalties**

(A) Separate from, in addition to, or in combination with a notice of violation or cease and desist order, the General Manager may issue an administrative compliance order against the Property Owner and/or occupant of the property where a violation of this ordinance occurred and/or any other Person responsible for a violation of this ordinance who violates any provision of this ordinance. Issuance of a notice of violation or a cease and desist order is not a prerequisite to the issuance of an administrative compliance order. The administrative compliance order shall allege the act(s) or failure(s) to act that constitute violations of this ordinance and shall set forth the penalty for the violation.

(B) The General Manager may impose the following monetary penalties, in addition to other appropriate action requirements:

(1) For water meters smaller than two inches (2") in size,

(a) For the first violation during any water conservation stage by any Person of any provision of this ordinance the District may issue a written notice to the Person which sets forth the facts surrounding the violation and additional information such as the required compliance and potential penalties for noncompliance;

(b) For a second violation during any water conservation stage by any Person of any provision of this ordinance within the preceding twelve (12) calendar months the District may issue a written notice to the Person which sets forth a complete copy of this ordinance or summary document of the District's Water Conservation and Supply Shortage Program as well as additional information such as the required compliance and potential penalties for noncompliance.

(c) For a third violation during Water Conservation Stages 1 and 2 by any Person of any of the provisions of this ordinance within the preceding twelve (12) calendar months the District may impose a monetary penalty in the amount of one hundred dollars (\$100.00) per day for each day a Person violates any provision of this ordinance. During Water Conservation Stages 3, 4 and 5 the District may impose a monetary penalty in the amount of two hundred dollars (\$200.00) per day for each day a Person violates any provision of this ordinance.

(d) For a fourth violation during Water Conservation Stages 1 and 2 by any Person of any of the provisions of this ordinance within the preceding twelve (12) calendar months the District may impose a monetary penalty in the amount of two hundred dollars (\$200.00) per day for each day a Person violates any provision of this ordinance. During Water Conservation Stages 3, 4 and 5 the District may impose a monetary penalty in the amount of

four hundred dollars (\$400.00) per day for each day a Person violates any provision of this ordinance.

(e) For a fifth and any subsequent violation, the District may install a flow restricting device of two and one-half gallons per minute (2.5 GPM) capacity for services up to one and one-half inch (1-1/2") size and comparatively sized restrictors for larger services or terminate a Person's service in accordance with the District's applicable rules and regulations, in addition to the monetary penalties provided for herein.

(f) Any such restricted or terminated service may be restored in accordance with the District's applicable rules and regulations and only upon a showing that the Person is in compliance with this ordinance. Prior to any restoration of service, the customer shall pay all District charges for any restriction or termination of service and its restoration as provided for in the District rules governing water service, including but not limited to payment of all past due bills and fines and any other amounts which may be due and owing under this ordinance.

(2) For water meters two inches (2") and larger,

(a) For the first violation during any water conservation stage by any Person of any provision of this ordinance the District may issue a written notice to the Person which sets forth the facts surrounding the violation and additional information such as the required compliance and potential penalties for noncompliance ;

(b) For a second violation during any water conservation stage by any Person of any provision of this ordinance within the preceding twelve (12) calendar months the District may issue a written notice to the Person which sets forth a complete copy of this ordinance

or summary document of the District's Water Conservation and Supply Shortage Program as well as additional information such as the required compliance and potential penalties for noncompliance.

(c) For a third violation during Water Conservation Stages 1 and 2 by any Person of any of the provisions of this ordinance within the preceding twelve (12) calendar months the District may impose a monetary penalty in the amount of one hundred dollars (\$100.00) per day for each day a Person violates any provision of this ordinance. During Water Conservation Stages 3, 4 and 5 the District may impose a monetary penalty in the amount of three hundred dollars (\$300.00) per day for each day a Person violates any provision of this ordinance.

(d) For a fourth violation during Water Conservation Stages 1 and 2 by any Person of any of the provisions of this ordinance within the preceding twelve (12) calendar months the District may impose a monetary penalty in the amount of three hundred dollars (\$300.00) per day for each day a Person violates any provision of this ordinance. During Water Conservation Stages 3, 4 and 5 the District may impose a monetary penalty in the amount of six hundred dollars (\$600.00) per day for each day a Person violates any provision of this ordinance.

(e) For a fifth and any subsequent violation, the District may install a flow restricting device or terminate a Person's service in accordance with the District's applicable rules and regulations, in addition to the monetary penalties provided for herein.

(f) Any such restricted or terminated service may be restored in accordance with the District's applicable rules and regulations and only upon a showing that the Person is in compliance with this ordinance. Prior

to any restoration of service, the customer shall pay all District charges for any restriction or termination of service and its restoration as provided for in the District rules governing water service, including but not limited to payment of all past due bills and fines and any other amounts which may be due and owing under this ordinance.

(3) An amount that shall not exceed one thousand dollars (\$1,000.00) per day for each day on which a Person violates any provision of this ordinance. Unless timely appealed, an administrative compliance order shall be effective and final as of the date it is issued by the General Manager.

(C) The amount of any penalties imposed pursuant to this Section 14 may be collected by including said amount on the customer's water bill. The amount of any penalties imposed pursuant to this Section 14 which have remained delinquent for a period of sixty (60) calendar days shall constitute a lien against the real property of the Person violating this ordinance. The lien provided herein shall have no force and effect until recorded with the Riverside County Recorder and when recorded shall have the force and effect and priority of a judgment lien and continue for ten (10) years from the time of recording unless sooner released, and shall be renewable in accordance with the provisions of Sections 683.110 to 683.220, inclusive, of the California Code of Civil Procedure.

(D) All moneys collected under this Section 14 shall be deposited in a special account of the District and shall be made available for enforcement of this ordinance.

(E) The District may, at its option, elect to petition the Superior Court to confirm any order establishing administrative penalties and enter judgment in

conformity therewith in accordance with the provisions of Sections 1285 to 1287.6, inclusive, of the California Code of Civil Procedure.

**Section 16. Recovery of costs**

(A) The General Manager shall serve an invoice for costs upon the Property Owner and/or occupant of any property, or any other responsible Person who is subject to a notice of violation, a cease and desist order, or an administrative compliance order. An invoice for costs shall be immediately due and payable to the District. If any Property Owner or Person in charge of day-to-day operations, Customer, or responsible party, or any other Person fails to either pay the invoice for costs or appeal successfully the invoice for costs in accordance with this ordinance, then the District may institute collection proceedings. The invoice for costs may include reasonable attorneys' fees.

(B) The District shall impose any other penalties or regulatory fees, as fixed from time to time by the Board of Directors, for a violation or enforcement of this ordinance.

(C) In order to recover the costs of the water conservation regulatory program set forth in this ordinance, the Board of Directors may, from time to time, fix and impose fees and charges. The District fees and charges may include, but are not limited to fees and charges for:

(1) any visits of a Enforcement Officer or other District staff for time incurred for meter reading, follow-up visits, or the installation or removal of a flow-restricting device;

(2) monitoring, inspection, and surveillance procedures pertaining to enforcement of this ordinance;

(3) enforcing compliance with any term or provision of this ordinance;

(4) reinitiating service at a property where service has been discontinued pursuant to this ordinance;

(5) processing any fees necessary to carry out the provisions of this ordinance.

### **Section 17. Appeals**

Any Person subject to a notice of violation, cease and desist order, or administrative compliance order may file an appeal of such order or notice with the Board of Directors within fifteen (15) calendar days of the date of service of the order or notice. The Board of Directors shall hold a hearing to consider the appeal at the next available District meeting. A notice of the hearing shall be mailed to the Appellant at least ten (10) calendar days before the date fixed for the hearing. The Board of Directors shall review the appeal de novo. The determination of the Board of Directors shall be conclusive and shall constitute a final order. Notice of the determination by the Board of Directors shall be mailed to the Appellant within ten (10) calendar days of such determination and shall indicate whether the appeal has been granted in whole or in part and set forth the terms and conditions of the decision, if any. If the appeal is denied, the Appellant shall comply with all terms and conditions of the order or notice.

### **Section 18. Relief from compliance**

Consideration of written applications for Relief from compliance regarding the regulations and restrictions

on water use set forth in this ordinance may be made by the District.

(A) Written applications for Relief shall be accepted, and may be granted or denied, by the Approving Authority, at his or her sole discretion, or by his or her designee at his or her sole discretion. The application shall be in a form prescribed by the District and shall be accompanied by a non-refundable processing fee in an amount as determined by the Board of Directors for the purpose of defraying the costs incidental to the proceedings.

(B) The grounds for granting or conditionally granting Relief are:

(1) due to unique circumstances, a specific requirement of this ordinance would result in undue hardship to a Person using District water or to property upon which District water is used, that is disproportionate to the impacts to other District water users generally or to similar property or classes of water users; or

(2) failure to grant Relief would adversely affect the health, sanitation, fire protection, or safety of the applicant or the public.

(C) The application for Relief shall be accompanied, as appropriate, with photographs, maps, drawings, and other information substantiating the applicant's request, including a statement of the applicant.

(D) An application for Relief shall be denied unless the Approving Authority finds, based on the information provided in the application, supporting documentation, or such other additional information as may be requested, and on water use information for the property as shown by the records of the District, all of the following:

(1) That the Relief does not constitute a grant of special privilege inconsistent with the limitations upon other District Customers.

(2) That because of special circumstances applicable to the property or its use, the strict application of this ordinance would have a disproportionate impact on: (a) the property or use that exceeds Customers generally; or (b) the applicant's health that exceeds Customers generally.

(3) That the authorization of such Relief will not be of substantial detriment to adjacent properties, will not materially affect the ability of the District to effectuate the purposes of this ordinance, and will not be detrimental to the public interest.

(4) That the condition or situation of: (a) the subject property or the intended use of the property for which the Relief is sought is not common, recurrent, or general in nature; or (b) the applicant's health or safety is not common, recurrent, or general in nature.

(E) The denial or grant of a Relief shall be acted upon within fifteen (15) business days of the submittal of the complete application, including any photographs, maps, drawings, and other information substantiating the applicant's request and the statement of the applicant. The application may be approved, conditionally approved, or denied. The decision of the Approving Authority shall be prepared in writing, include terms and conditions, if any, and promptly sent to the applicant.

(F) The denial of a request for Relief may be appealed in writing to the General Manager. An appeal shall be made in accordance with the following procedures:

(1) The Appellant shall complete and submit in writing a form provided by the District for such purpose and shall state in such form the grounds for his or her appeal. All appeals shall be submitted to the District Secretary within thirty (30) calendar days of the date of the notice of the denial of the request for Relief.

(2) The General Manager shall review the appeal and any related information provided, and, if necessary, cause an investigation and report to be made concerning the request for Relief. The General Manager shall have fifteen (15) calendar days from the submission of the appeal to render a decision on whether to grant the appeal and mail notice thereof to the Appellant. If the General Manager grants the appeal and determines that the request for Relief shall be granted, then within fifteen (15) calendar days of such determination the General Manager shall give written notice thereof to the Appellant.

(3) The decision of the General Manager may be appealed by the Appellant to the Board of Directors. Such appeal must be submitted in writing and filed with the District Secretary within fifteen (15) calendar days of the date of decision of the General Manager. The Board of Directors shall conduct a hearing on such appeal at its next regularly scheduled Board of Directors meeting; provided, however, the Board of Directors shall have received the notice of appeal at least fifteen (15) calendar days prior to such meeting. If the appeal is not submitted within at least fifteen (15) calendar days prior to a regularly scheduled Board of Directors meeting, then the hearing shall be held at the following regularly scheduled meeting of the Board of Directors. A notice of the hearing shall be mailed to the Appellant at least ten

(10) calendar days before the date fixed for the hearing. The Board of Directors shall review the appeal de novo. The determination of the Board of Directors shall be conclusive and shall constitute a final order. Notice of the determination by the Board of Directors shall be mailed to the Appellant within ten (10) calendar days of such determination and shall indicate whether the appeal has been granted in whole or in part and set forth the terms and conditions of the Relief, if any, granted to the Appellant. If the appeal is denied, the Appellant shall comply with all terms and conditions of this ordinance and the applicable water conservation stage then in effect.

(4) Until the conclusion of the appeal process, all provisions and decisions under appeal shall remain in full force and effect until the conclusion of the appeal process.

#### **Section 19. Conflicting Provisions**

If provisions of this ordinance are in conflict with each other, other rules and regulations of the District, any other resolution or ordinance of the District, or any State law or regulation, the more restrictive provisions shall apply.

#### **Section 20. Severability**

If any provision, section, subsection, sentence, clause or phrase or sections of this ordinance, or the application of same to any Person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the invalidity of the remaining portions of sections of this ordinance shall not be affected, it being the intent of the Board of Directors in adopting this ordinance that no portions, provisions, or regulations contained herein shall become inoperative, or fail by reason of the unconstitutionality of any other provision

hereof, and all provisions of this ordinance are declared to be severable for that purpose.

**Section 21. Effective Date and Publication**

This ordinance shall be effective upon adoption. Within ten (10) days after its adoption, the District Secretary shall cause this ordinance to be published once pursuant to California Government Code section 6061 in full in a newspaper of general circulation which is printed, published, and circulated in the District. If there is no such newspaper, the ordinance shall be posted within the District after its adoption in three public places.

ADOPTED AND APPROVED this 6<sup>th</sup> day of May, 2009 by the Board of Directors of the Western Municipal Water District.



THOMAS P. EVANS  
President

May 6, 2009

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of Ordinance 374 adopted by the Board of Directors of Western Municipal Water District of Riverside County at the scheduled Public Hearing held May 6, 2009.



BRENDA DENNSTEDT  
Secretary-Treasurer

**Draft Resolution Updating Water Conservation Stage Five  
and Six of the District's Retail Customer Water Conservation  
and Supply Shortage Program**

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RESOLUTION XXXX

A RESOLUTION OF THE WESTERN MUNICIPAL  
WATER DISTRICT OF RIVERSIDE COUNTY UPDATING  
WATER CONSERVATION STAGE FIVE AND SIX OF THE  
DISTRICT'S RETAIL CUSTOMER WATER  
CONSERVATION AND SUPPLY SHORTAGE PROGRAM

WHEREAS, pursuant to California Water Code section 71640, the District may restrict the use of District water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the wastage of District water or the use of District water during such periods for any purpose other than household uses or such other restricted uses as the District determines to be necessary. The District may also prohibit use of District water during such periods for specific uses which it finds to be nonessential. Pursuant to Water Code section 71641, the District may prescribe and define by ordinance the restrictions, prohibitions, and exclusions referred to in section 71640; and

WHEREAS, pursuant to California Water Code section 350 et seq. and 375 et seq., the Board of Directors on May 6, 2009 adopted Ordinance 374 which established a Retail Customer Water Conservation and Supply Shortage Program ("Program") and associated response actions increasing restrictions on water use in response to worsening drought or emergency conditions and decreasing supplies for the purpose of conserving the water supplies of the District. The Program establishes six (6) stages of water conservation and supply shortage response measures which may be implemented. The declaration of change in the ordinance shall be made by resolution of the Board.

**NOW, THEREFORE,** be it resolved by the Board of Directors of the Western Municipal Water District of Riverside County as follows:

**SECTION 1** The purposes of the provisions of the Program are to assure the highest beneficial use of District water supplies and to provide sufficient water supplies to meet the basic needs of human consumption, sanitation, and fire protection within the District's direct retail service area.

**SECTION 2** Water Conservation Stage Five of the Program is hereby declared to be updated to reduce water consumption within the District by twenty-six to fifty percent (26-50%) as of the effective date of this Resolution and shall hereby apply to all Persons within the District's direct retail service area and all property served in a retail capacity by the District wherever situated.

**SECTION 3** Water Conservation Stage Six of the Program is hereby declared to be updated to reduce water consumption within the District by more than fifty percent (50%) as of the effective date of this Resolution and shall hereby apply to all Persons within the District's direct retail service area and all property served in a retail capacity by the District wherever situated.

**SECTION 4** This Resolution shall be effective as of the date of adoption.

ADOPTED, this X day of X, 20XX.

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BRENDA DENNSTEDT  
President

DATE

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution XXXX adopted by the Board of Directors of Western Municipal Water District of Riverside County at its Regular Meeting held DATE.

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S.R. "AL" LOPEZ  
Secretary-Treasurer

**EXHIBIT A**  
**WATER CONSERVATION STAGE FIVE REQUIREMENTS**

(A) Water Conservation Stage Five is also referred to as a "Critical Water Shortage" and applies during periods when the District will not be able to meet all of the water demands of its Customers. Water Conservation Stage Five may be caused by, but is not limited to, any or all of the following circumstances or events:

(1) a regional or statewide water supply shortage exists and a public outreach campaign is being implemented asking or requiring Persons to reduce water use;

(2) delivery infrastructure such as storage reservoirs, pipes, pumps, filtration devices or groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);

(3) alternative water supplies are limited or unavailable;

(4) groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional Water Quality Control Board, Riverside County, or some other regulatory body; and

(5) a major failure of any supply or distribution facility, whether temporary or permanent, occurs in the water distribution system of the State, The Metropolitan Water District of Southern California, or District water facilities.

(B) The objective of the measures undertaken in Water Conservation Stage Five is to reduce water consumption within the District by twenty-six to fifty percent (26-50%).

(C) Except as otherwise provided in this Section 10, all water conservation and supply shortage response measures of Water Conservation Stages One, Two, Three and Four shall be in full force and effect during Water Conservation Stage Five. Upon declaration of a Water Conservation Stage Five by the Board of Directors, implementation by the District and publication of notice, the following water conservation and supply shortage response measures shall apply:

(1) Water Customers shall reduce their water consumption by twenty-six to fifty percent (26-50%) from the Water Budget Allocation for the duration of Water Conservation Stage Five. Provided, however, the Water Budget Allocation for subsequent fiscal years shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage Four for more than twelve (12) months.

(2) Irrigation of landscaping shall be limited to supporting minimal survival of trees and shrubs. Trees and shrubs may be irrigated, including construction meter irrigation, only during the following designated hours and designated days:

(a) properties with odd number street addresses, parks, and public right of ways may irrigate trees and shrubs only on Saturdays between the hours of 8:00 p.m. and 6:00 a.m.;

(b) properties with even number street addresses may irrigate trees and shrubs only on Sundays between the hours of 8:00 p.m. and 6:00 a.m.; and

(c) irrigating landscaping is prohibited on Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays.

(3) Notwithstanding the irrigation requirements identified in Water Conservation Stages 1 through 4, customers

with self-adjusting irrigation controllers identified by, and currently listed on, the Irrigation Association's web site as Smart Water Application Technology (SWAT), are NOT exempted from Section 10(C)(2) hereof.

(4) Notwithstanding the provisions of Section 10(C)(2) hereof, the use of recycled water to irrigate fruit trees, lawns and ground covers, and ornamental trees and shrubs, is permitted on any day pursuant to the specific rules and regulations that govern its use.

(4) All outdoor watering and irrigation of lawns and lawn-like ground covers is prohibited with the exception of plant materials classified and determined by the General Manager to be rare, exceptionally valuable, or essential to the well being of the public at large or rare animals.

(5) The washing of automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment at any location except a licensed commercial wash facility or by a licensed mobile detailing service with low-volume, high-pressure equipment is prohibited. Commercial car washes shall only use partially reclaimed or recycled water for washing automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment. Licensed mobile detailing/car wash professionals shall use only the minimal amount of water necessary and shall capture and reuse as much water as is practical. Further, such washings are exempt from these regulations where the health, safety and welfare of the public is contingent upon frequent vehicle cleanings, such as garbage trucks and vehicles used to transport food and perishables.

(6) The filling, refilling, or adding of water to swimming pools, spas, ponds, streams, and artificial lakes is prohibited.

(7) The operation of any ornamental fountain, pond, or similar structure is prohibited.

(8) The use of water for cooling mists is prohibited.

(9) The use of water for commercial, manufacturing, or processing purposes may be reduced in volume by an amount determined by the Board of Directors.

(10) Provided the Board of Directors has declared a Water Shortage Emergency pursuant to California Government Code sections 350 *et seq.*, no new construction meters will be issued. Construction water shall not be used for earth work, road construction purposes, dust control, compaction, or trenching jetting. Construction projects necessary to maintaining the health, safety, and welfare of the public are exempt from these regulations.

(11) Provided the Board of Directors has declared a Water Shortage Emergency pursuant to California Water Code sections 350 *et seq.*, except as to property for which a building permit has been heretofore issued, no new water meter(s) shall be provided, except in the following circumstances:

(a) for projects necessary to protect the public's health, safety, and welfare;

(b) when using recycled water;

(c) when the recipient of the water meter can demonstrate that no net increase in water use will occur; or

(d) where the recipient of the water meter provides a Conservation Offset. A Conservation Offset may be affected by paying a fee established by the District in an amount necessary to cover the cost of implementing such conservation techniques or acquiring alternative water sources. The fee will be based on the Conservation Offset required to meet the projected demand of the proposed project. Such fee

shall apply to residential as well as commercial and industrial buildings, and may be adjusted from time to time as determined by the District. The existence and application of a Conservation Offset, and the amount of the fee and other terms and conditions for any Conservation Offset, shall be determined in the District's sole discretion. The existence and application of any such water meter moratorium or other similar restrictions shall be determined by separate and subsequent action of the Board of Directors.

#### **WATER CONSERVATION STAGE SIX REQUIREMENTS**

Water Conservation Stage Six is also referred to as a "Dire Water Shortage" and applies during periods when the District will not be able to meet all of the water demands of its Customers. Water Conservation Stage Six may be caused by, but is not limited to, any or all of the following circumstances or events:

(1) a regional or statewide water supply shortage exists and a regional public outreach campaign is being implemented asking or requiring all Persons to reduce water use;

(2) delivery infrastructure such as storage reservoirs, pipes, pumps, filtration devices or groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);

(3) alternative water supplies are limited or unavailable;

(4) groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of

Water Resources, the Regional Water Quality Control Board, Riverside County, or some other regulatory body; and

(5) a major failure of any supply or distribution facility, whether temporary or permanent, occurs in the water distribution system of the State, The Metropolitan Water District of Southern California or District water facilities and the District cannot meet all of the water demands of its Customers.

(B) The objective of the measures undertaken in Water Conservation Stage Six is to reduce water consumption by more than fifty percent (50%).

(C) Except as otherwise provided in this Section 11, all water conservation and supply shortage response measures of Water Conservation Stages One, Two, Three, Four and Five shall be in full force and effect during Water Conservation Stage Six. Upon declaration of a Water Conservation Stage Six by the Board of Directors, implementation by the District and publication of notice, the following water conservation and supply shortage response measures shall apply:

(1) Water Customers shall reduce their water consumption by more than fifty percent (50%) from the Water Budget Allocation for the duration of Water Conservation Stage Six. The specific amount and requirements for said reduction shall be determined by the Board of Directors. Provided, however, the Water Budget Allocation for subsequent fiscal years shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage Six for more than twelve (12) months.

(2) All outdoor watering and irrigation of lawns and ground cover, and landscaping is prohibited, with the exception of the use of recycled water to irrigate fruit trees, lawns and ground covers, and ornamental trees and shrubs, which

is permitted on any day pursuant to the specific rules and regulations that govern its use.

(3) Provided the Board of Directors has declared a Water Shortage Emergency pursuant to California Water Code sections 350 *et seq.*, the District shall not allow any new connections to the water system during Water Conservation Stage Six (6). The existence and application of any such new connection moratorium or other similar restrictions shall be determined by separate and subsequent action by the Board of Directors.

## **Drought Allocation Plan**

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**Drought Allocation Plan for the  
Western Municipal Water District of Riverside County**

**July 16, 2008**

**Prepared by:  
Malcolm Pirnie, Inc.**

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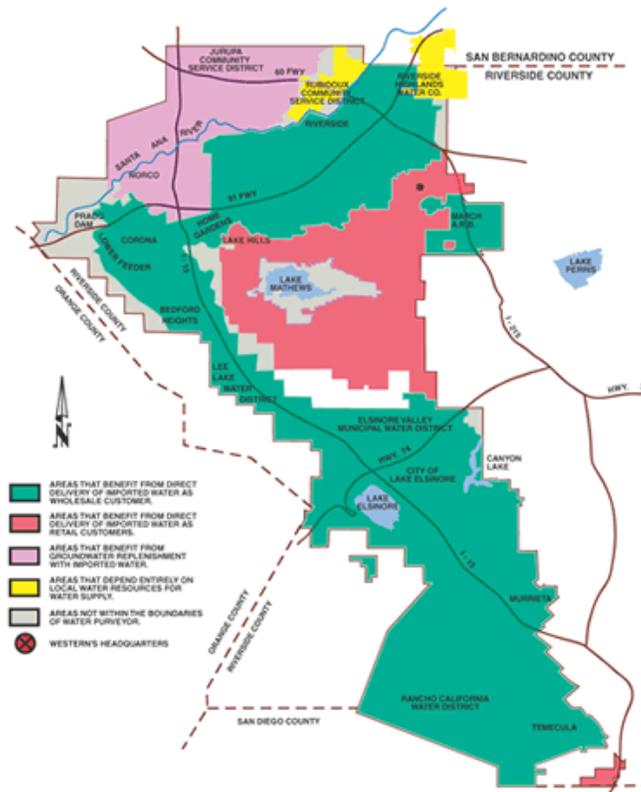
# Section 1 – Introduction

The purpose of the Drought Allocation Plan (DAP) is to provide the Western Municipal Water District of Riverside County (Western) and its wholesale customers with a means for allocating limited imported water supplies from the Metropolitan Water District of Southern California (Metropolitan) under shortage conditions. The DAP is intended to help the region minimize the impacts of shortages and ensure an equitable allocation of supplies.

## 1.1 Wholesale Customers

The DAP will be used to allocate water for retail municipal and industrial (M&I) purposes among the following agencies:

- City of Corona
- City of Norco
- City of Riverside
- Eagle Valley Mutual Water Company
- Elsinore Valley Municipal Water District
- Lee Lake Water District
- Rancho California Water District
- Western Municipal Water District Retail Customers (including Box Springs Mutual Water Company)



## 1.2 Defining a Drought

The question is often asked as to what defines a drought. As stated on the California Department of Water Resources (DWR) drought preparedness website:

“Defining when a drought begins is a function of drought impacts to water users. Hydrologic conditions constituting a drought for water users in one location may not constitute a drought for water users elsewhere, or for water users having a different water supply. Individual water suppliers may use criteria such as rainfall/runoff, amount of water in storage, or expected supply from a water wholesaler to define their water supply conditions.”

Defining when supply conditions signify a drought in the Western service area is a combination of (1) the condition of Metropolitan’s imported supplies and storage levels and (2) local supply production within Western, both groundwater and surface water.

## **Section 2: Drought Allocation Plan Preparation**

Recent dry conditions and uncertainty about future pumping operations from the State Water Project have brought about the possibility that Metropolitan may not have access to the supplies necessary to meet total firm demands at some point in the future and may have to allocate shortages in supplies to its member agencies. To prepare for this possibility, Metropolitan staff worked jointly with member agency managers and staff to develop a Shortage Allocation Plan (SAP). This plan, which addresses the principles adopted by the Metropolitan Board in the 1999 *Water Surplus and Drought Allocation Plan* (WSDM Plan), was adopted by Metropolitan's Board of Directors in February 2008.

To facilitate implementation of Metropolitan's shortage allocation plan at the local level, the current DAP has been developed. The DAP identifies the method that will be used to allocate limited imported supplies among Western's wholesale customers if Metropolitan implements its SAP.

### **2.1 Wholesale Customer Coordination**

Preparation and implementation of a DAP for the Western service area required the input and support from the Western's wholesale customers. Recognizing the importance of wholesale customer involvement, Western created a Drought Allocation Plan Workgroup, made up of staff from Western and its wholesale customers. Western hosted a series of three workshops for the Workgroup to obtain input on development of the DAP. All wholesale customers and their sub-agencies were invited to participate in these workshops. To assist in this effort, Malcolm Pirnie, Inc. was hired to facilitate the workshops and assist with the development of an allocation model that meets the needs of Western and its wholesale customers.

### **2.2 Drought Allocation Plan Questionnaire**

To gain an initial understanding of the wholesale customers' positions on the DAP elements, a five-page web-based questionnaire was distributed to the wholesale customers. The questionnaire consisted of eighteen questions, as well as a section for general comments. The questions were divided into the following four areas: 1) what is important in the overall design of a Drought Allocation Plan; 2) what are the issues related to water transfers; 3) how should water be allocated in a shortage; and 4) what role should a public communication strategy play during a drought. The complete survey and results are included as Appendix B.

## Section 3: DAP Supply Allocation Methodology

This section includes a description of the supply allocation methodology developed through the collaborative effort between the Western and its wholesale customers. The goal of the methodology is to provide an equitable means of apportioning imported M&I supplies during periods where Metropolitan implements its SAP. Through the DAP workshops, Western staff and designated wholesale customer representatives have collectively agreed to the allocation methodology described in this section. This allocation methodology is consistent with the approach defined within Metropolitan's SAP and has been adjusted for local needs and conditions.

### Base Period Calculations

The first step in estimating retail demands and wholesale water needs in the allocation year is to establish a historical Base Period with established water supply and delivery data that best approximates normal operating conditions within Western's service area. The base period for each of the different categories of demands and supplies is calculated using data from the three most recent non-shortage years (2004-2006); exceptions to this methodology are noted in the following descriptions of base period calculations. The following are the components of the Base Period calculation:

*Base Period Retail Demands:* Total retail M&I demands for the base period are calculated by adding the Base Period Demands on Western, and the Base Period Local Supplies.

*Base Period Local Supplies:* Local supplies for the base period are calculated using a three-year average of groundwater production, groundwater recovery, surface-water production, and other imported supplies. Non-potable recycling production is not included in this calculation. (This is to address the impact of demand hardening due to recycled water use).

*Base Period Wholesale Demands:* Firm demands on Western for the base period are calculated using a three-year average of retail M&I demands.

*Base Period Conservation:* Conservation savings for the base period are calculated using modeled estimates of the most recent year's water savings from the installation of water conservation devices. Note that this is different than other Base Period calculations, which used three-year averages. This is because, for demand hardening purposes, it is preferable to use the most recent estimate of installed water savings as opposed to a three-year average. Modeled estimates are generated using device-based savings and decay rates provided by California Urban Water Conservation Council and other recognized sources. These estimates currently include savings accumulated from Metropolitan funded programs and from conservation efforts funded without Metropolitan assistance.

## Allocation Year Calculations

The next step in estimating water demands in the allocation year is to adjust the base period estimates of retail M&I demand for population or economic growth, and to adjust for changes in local supplies.

*Allocation Year Retail Demands:* Total retail M&I demands for the allocation year are calculated by adjusting the Base Period Retail Demands for growth.

*Growth Adjustment:* The growth adjustment is calculated using the number of connections by meter size over the period since 2006, including the first quarter of the allocation year. Connection data from the last day of each calendar year in the base period and from March 31<sup>st</sup> of the allocation year is used for these calculations. The growth rate is calculated by converting the meter data to the number of "equivalent meters" per AWWA standards, shown in the table below.

Meter Size	Equivalent Meter and Service Ratio <sup>(1)</sup>
5/8"	1
3/4"	1.1
1"	1.4
1 1/2"	1.8
2"	2.9
3"	11
4"	14
6"	21
8"	29
10"	37

(1) Equivalent Meter and Service Ratio is based upon AWWA M1; Principles of Water Rates, Fees, and Charges

Once the meter data is converted into "equivalent meters," the rate of growth is calculated by deriving the increase in equivalent meters since the end of the first year of the base period, dividing that amount by the starting number of equivalent meters at the end of the first year of the base period, and then dividing that overall percentage increase by the number of years of growth, including the first quarter of the allocation year. This calculation results in an average annual growth rate.

This amount is then multiplied by the Base Year M&I retail demands to determine the "Allocation Year" M&I retail demands for each of Western's wholesale customers.

*Allocation Year Local Supplies:* Allocation year local supplies are estimated using the base year local supplies any adjustments for gains and losses of local supply, and extraordinary increases in production over the base year. These adjustments are made

to give a more accurate estimate of actual supplies in the allocation year, and in turn more accurately reflect an agency's demand for supplies from Western.

Gain of Local Supply Adjustment: This adjustment accounts for planned or scheduled gains in local supply production above the base period, which are not due to extraordinary actions to increase water supply in the allocation year. These previously scheduled increases in supply programs or local production are added to the base period local supplies.

Loss of Local Supply Adjustment: This adjustment accounts for losses of local supply production from the base period. Losses of local supply, due to such things as hydrology or water quality, are subtracted from the Base Period Local Supplies. Losses of local supply that are not covered by this adjustment include groundwater losses that are less than or equal to base period replenishment deliveries (for a two year period following interruptions of replenishment deliveries) and supplies that were used to cover IAWP shortages, and are no longer available to meet firm demands.

Extraordinary Increased Production Adjustment: This adjustment accounts for extraordinary increases in local supplies above the base period. Extraordinary increases in production include such efforts as purchasing transfers or mining of groundwater basins. In order not to discourage such extraordinary efforts, only a percentage of the yield from these supplies is added back to Allocation Year Local Supplies. This has the effect of "setting aside" the majority of the yield for the agency who procured the supply. The following table shows the percentages of the Extraordinary Increases in Local Supply that are counted in each level of supply allocation.

Regional Shortage Level (%)	Percentage Counted in Local Supply
1 (5%)	0%
2 (10%)	0%
3 (15%)	15%
4 (20%)	20%
5 (25%)	25%
6 (30%)	30%
7 (35%)	35%
8 (40%)	40%
9 (45%)	45%
10 (50%)	50%

*Allocation Year Wholesale Demands:* Demands on Western for the allocation year are calculated by subtracting the Allocation Year Local Supplies from the Allocation Year Retail Demands.

## Allocation Formula and Accounting

The following table contains the elements of the allocation formula that are used in the allocation formula. The formula was designed to be equitable on the wholesale level, while helping to minimize hardships experienced by individuals and by the regional economy at the retail level.

(1) Regional Shortage Level	(2) Regional Shortage Percentage	(3) Wholesale Minimum Allocation	(4) Retail Impact Adjustment Maximum	(5) Extraordinary Increase Percentage	(6) IAWP Reduction
1	5%	92.5%	0%	0%	30%
2	10%	85.0%	0%	0%	30%
3	15%	77.5%	7.5%	15%	40%
4	20%	70.0%	10.0%	20%	50%
5	25%	62.5%	12.5%	25%	75%
6	30%	55.0%	15.0%	30%	90%
7	35%	47.5%	17.5%	35%	100%
8	40%	40.0%	20.0%	40%	100%
9	45%	32.5%	22.5%	45%	100%
10	50%	25.0%	25.0%	50%	100%

*Shortage Levels:* The formula allocates shortages of Western supplies over ten levels: from 5 to 50 percent, in 5 percent increments.

*Shortage Percentage:* The maximum total regional shortage percentage of Western's available supplies when compared to the sum of the demands in the allocation year.

*Wholesale Minimum Allocation:* The Wholesale Minimum Allocation is established to ensure a minimum level of wholesale water service (Western supplies) at the wholesale customer level, and sets the target for recognizing a wholesale customer's ongoing investment in Western's system. The Wholesale Minimum Allocation ensures that wholesale customers will not experience shortages on the wholesale level that are greater than one-and-a-half times the percentage shortage of Western's regional water supplies. The Wholesale Minimum Allocation is equal to 100 percent minus one-and-a-half times the shortage level.

*Retail Impact Adjustment Maximum:* The Retail Impact Adjustment Maximum is the factor used to address major differences in retail level shortages associated with across-the-board cuts. The purpose of this adjustment is to ensure that agencies with a high level of dependence on Western do not experience highly disparate shortages compared to other agencies when faced with a reduction in wholesale water supplies. The Retail Impact Adjustment Maximum factor is calculated as the difference between the Regional Shortage Percentage and the Wholesale Minimum Allocation. The amount of the adjustment each wholesale customer receives is prorated on a linear scale, based on its dependence on Western at the retail level. The prorated amount of allocation is referred to as the Retail Impact Adjustment Allocation. For agencies that are 100 percent dependent on Western, this method will result in an allocation of Western supplies that, at the retail level, will result in a shortage equal to the Regional Shortage

Percentage. In other words, through this allocation, no agency will experience a greater percentage shortage than the regional shortage percentage. This adjustment is only applied when Western shortage levels are three or greater.

*Conservation Demand Hardening Credit:* The Conservation Demand Hardening Credit is used to address the increased difficulty in achieving additional water savings at the retail level that comes as a result of successful implementation of water conserving devices. The credit is calculated by multiplying an agency’s quantified conservation savings (in acre-feet) by its estimated retail shortage percentage prior to applying the credit. The conservation factors used to calculate the hardening credit are presented in the following table:

Device	Conservation Savings Factor (AFY)
Ultra Low Flow Toilet	0.035
Dual Flush Toilet	0.042
High Efficiency Clothes Washer	0.016
Weather-Based Irrigation Controller	0.8/Acre
Low Flow Showerhead	0.006

*M&I Allocation:* The allocation of Western supplies to an agency for its M&I retail demand is the sum of the Wholesale Minimum Allocation, the Retail Impact Adjustment, and the Conservation Demand Hardening Credit.

**Allocation Example – Calculating Base Period Information to Determine Allocation Year Needs**

The following example gives a step-by-step description of how the recommended formula would be used to calculate an allocation of Western’s imported supplies to its wholesale customers and retail service area. This example is based on a CY 2008 allocation using a CY 2004-2006 as the base period. The data used for this example was provided by each agency during the DAP development process.

***Step 1: Calculate Base Period Retail Demand***

The first step in developing an agency’s allocation is to estimate the agency’s retail level water needs. Two pieces of information are required to calculate retail level water needs: (1) The amount of local supplies that were produced in the base period, and (2) The amount of demands on Western in the base period.

Base Period Local Supplies are calculated using a three-year average of groundwater, groundwater recovery, surface water, and other non-Western imported supplies.

Base Period Wholesale Demands on Western are calculated using the same three-year time period as the Base Period Local Supplies.

Base Period Retail Demand can be calculated once the information described above has been calculated. The sum of the Base Period Local Supplies and the Base Period Wholesale Demands equals the Base Period Retail Demand.

### ***Step 2: Adjust Base Period Retail Demand for Growth***

The second step in developing an agency's allocation is to adjust the Base Period Retail Demand for growth that occurred since the Base Period. The growth adjustment is calculated using the average annual rate of connection growth for each agency. Each agency's number of connections by meter size for: 1) the base period, 2) any years between the base period and allocation year, and 3) the first quarter (through March 31<sup>st</sup>) of the allocation year. The connection data is then converted to the number of AWWA meter equivalents, and growth is calculated by:

- 1) Calculating the change or increase in the number of equivalent meters since the beginning period.
- 2) Dividing that amount by the starting number of equivalent meters.
- 3) Dividing that amount by the number of years (for this example, the number of years is currently 3.25).

Allocation Year Retail Demand is the result of applying the growth adjustment to the Base Period Retail Demand. It represents a reasonable estimate of the total amount of firm water that an agency needs at the retail level in the year of allocation.

### ***Step 3: Adjustment for changes in local supply from the Base Period***

The third step in calculating each agency's allocation is to calculate the agency's local supply production in the year of the allocation. This is done by using Base Period Local Supplies that were calculated in Step One as a base estimate, and adding back base any gains or losses in Base Period Local Supplies that are occurring in the allocation year. If an agency has undertaken extraordinary efforts to secure alternative supplies, this Extraordinary Increase in Local Supplies would also be added here.

Allocation Year Local Supplies are the result from adjusting the Base Period Local Supply for all of the changes listed above.

### ***Step 4: Calculate Wholesale Water Needs in the Allocation Year***

Now that both the Allocation Year Retail Demands and the Allocation Year Local Supplies have been estimated, the agency's Allocation Year Wholesale Demand can be calculated.

Allocation Year Wholesale Demands on Western are calculated by subtracting the Allocation Year Local Supplies from the Allocation Year Retail Demands. Any demand that is remaining after the agency's local supplies are accounted for represents demand for wholesale supplies from Western.

Dependence on Western is calculated as the percentage of an agency's retail need that is met by Western wholesale supplies.

**Step 5: Calculate Base Period Conservation Savings**

Estimating conservation savings is a key step in calculating the appropriate size of the Conservation Demand Hardening Credit. The premise of the credit is to provide additional allocation to an agency based on estimates of conservation savings. Successful implementation of conservation saving devices make it more difficult for retail level consumers to achieve additional reductions in water use compared to those consumers who have not installed water savings devices.

Base Period Conservation is calculated using the standardized water savings factors provided by CUWCC and other recognized bodies.

**Allocation Example - Calculating Supply Allocation in Regional Shortage Levels 1 & 2**

For shallow regional shortages, which are defined as being 10 percent or less, the allocation is essentially an across-the-board reduction in the wholesale supplies to all agencies, with adjustments for conservation demand hardening. The across the board reduction will be set by providing a Wholesale Minimum Allocation and a Conservation Demand Hardening Credit. There is no adjustment to address disparate retail level shortages in Shortage Levels 1 & 2. This example will follow the allocation formula accounting, through a Regional Shortage Level-1 (5 percent). The table below shows the essential elements of the allocation formula under a Regional Shortage Level-1.

(1) Regional Shortage Level	(2) Regional Shortage Percentage	(3) Wholesale Minimum Allocation	(4) Retail Impact Adjustment Maximum	(5) Extraordinary Increase Percentage	(6) IAWP Reduction
1	5%	92.5%	0.0%	0%	30%

**Step 1: Calculate Wholesale Minimum Allocation**

The Wholesale Minimum Allocation is calculated by multiplying the agency's Allocation Year Wholesale Demand by the Wholesale Minimum Allocation percentage from the allocation table.

**Step 2: Calculate Conservation Hardening Credit**

The Conservation Hardening Credit is calculated by multiplying the agency's Base Year Conservation savings by the estimated retail level shortage for the agency. To calculate the estimated retail level shortage prior to receiving the Conservation Hardening Credit, add the Wholesale Minimum Allocation, the Retail Impact Adjustment Allocation, and the Allocation Year Local Supplies, divide by the Allocation Year Retail Demand, and subtract the result from 100%.

**Step 3: Add the Wholesale Minimum Allocation and the Conservation Hardening Credit to get the M&I agency allocation**

The Wholesale Minimum Allocation and Conservation Hardening Credit are added together to total the M&I allocation.

**Step 4: Add Unallocated Supplies**

After each agency’s M&I allocation is calculated, each agency’s M&I allocation is added together to determine the total M&I allocation for all of Western’s wholesale customers. If the total M&I allocation is lower than the allocation that the amount Western is receiving from Metropolitan, the surplus is allocated among the wholesale customers based on the proportion of each agency’s Wholesale Minimum Allocation to the Western’s total Wholesale Minimum Allocation. If the amount is greater than the allocation from Metropolitan, then the next regional shortage level will be applied until the total M&I allocation is equal or less than allocation from Metropolitan.

**Step 5: Total Allocation**

The final step in calculating this agency’s allocation of Western supplies is to sum up all of the elements of the allocation formula that were calculated above.

**Allocation Example – Calculating Supply Allocation in Regional Shortage Levels 3 and Above**

For deeper regional shortages, which are defined as being greater than 10 percent, the formula includes a Retail Impact Adjustment Allocation to address disparate retail level shortages. This example will follow the allocation formula accounting, through a Regional Shortage Level-3 (15%). The table below shows the essential elements of the allocation formula under a Regional Shortage Level-3.

(1) Regional Shortage Level	(2) Regional Shortage Percentage	(3) Wholesale Minimum Allocation	(4) Retail Impact Adjustment Maximum	(5) Extraordinary Increase Percentage	(6) IAWP Reduction
3	15%	77.5%	7.5%	15%	40%

**Step 1: Calculate Wholesale Minimum Allocation**

The Wholesale Minimum Allocation is calculated by multiplying the agency’s Allocation Year Wholesale Demand by the Wholesale Minimum Allocation percentage from the allocation table.

**Step 2: Calculate Retail Impact Adjustment Allocation**

The next step in determining this agency’s allocation is to calculate the Retail Impact Adjustment Allocation. Recall from the allocation table, the Retail Impact Adjustment Maximum factor is the difference between the Wholesale Minimum Allocation and the Regional Shortage Percentage. Under a Regional Shortage Level-3 (15 percent), the Retail Impact Adjustment Maximum factor available to any agency is 7.5 percent. Each agency’s Retail Impact Adjustment factor is calculated by multiplying the 7.5 percent Retail Impact Adjustment Maximum factor by the agency’s Dependence of Western, which was calculated in a previous step.

***Step 3: Calculate Conservation Hardening Credit***

The Conservation Hardening Credit is calculated by multiplying each agency's Base Year Conservation savings by the estimated retail level shortage for the agency. To calculate the estimated retail level shortage prior to receiving the Conservation Hardening Credit, add the Wholesale Minimum Allocation, the Retail Impact Adjustment Allocation, and the Allocation Year Local Supplies, divide by the Allocation Year Retail Demand, and subtract the result from 100%.

***Step 4: Add the Wholesale Minimum Allocation, the Retail Impact Adjustment Allocation, and the Conservation Hardening Credit to get the final M&I agency allocation***

The Wholesale Minimum Allocation, the Retail Impact Adjustment Allocation, and the Conservation Hardening Credit are added together to total to the M&I allocation.

***Step 5: Add Unallocated Supplies***

After each agency's M&I allocation is calculated, each agency's M&I allocation is added together to determine the total M&I allocation for all of Western's wholesale customers. As with the example above, if the total M&I allocation is lower than the allocation that Western is receiving from Metropolitan, the surplus is allocated among the wholesale customers based on the proportion of each agency's Wholesale Minimum Allocation to the Western's total Wholesale Minimum Allocation. If the amount is greater than the allocation from Metropolitan, then the next regional shortage level will be applied until the total M&I allocation is equal or less than allocation from Metropolitan.

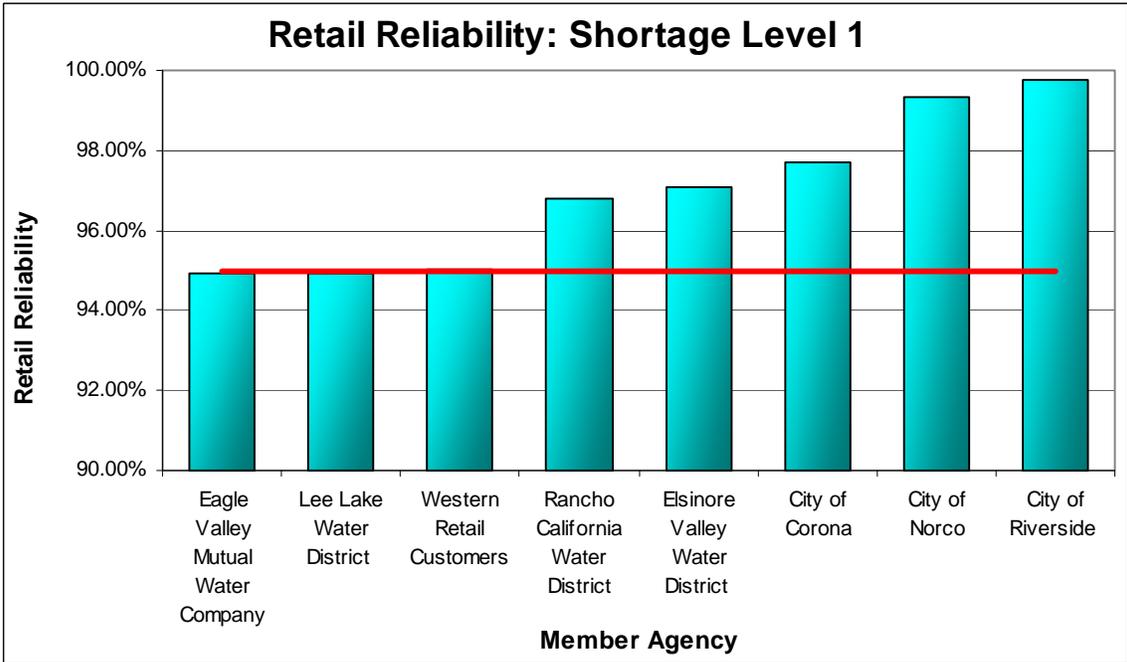
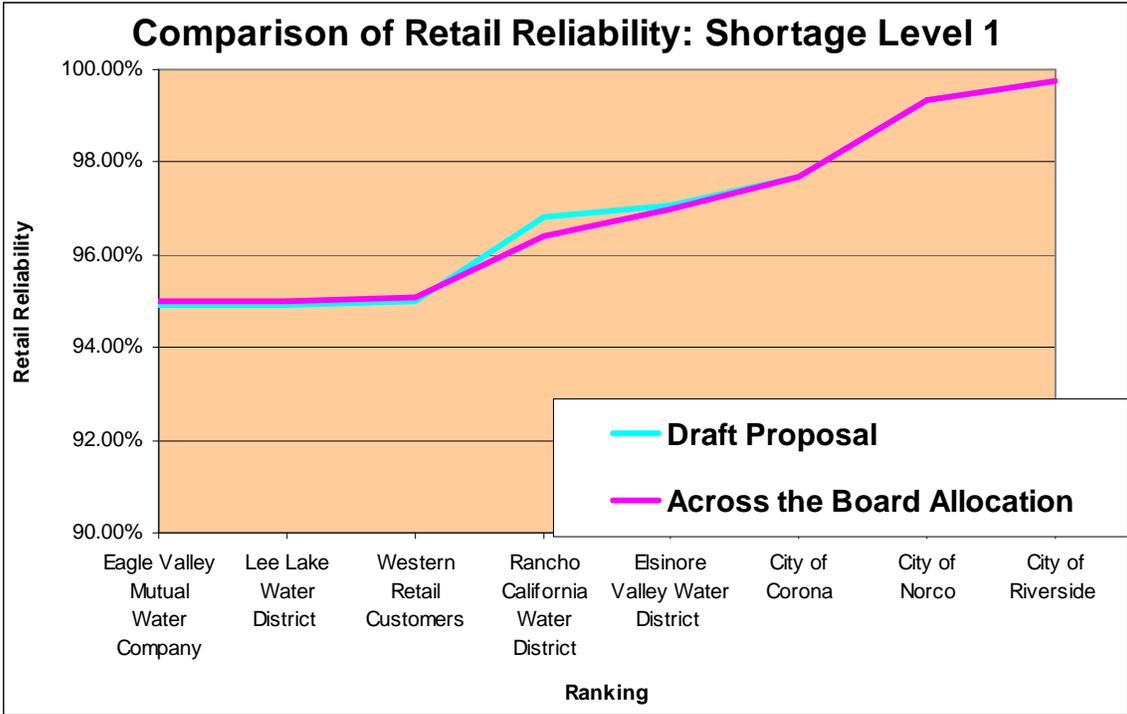
***Step 6: Total Allocation***

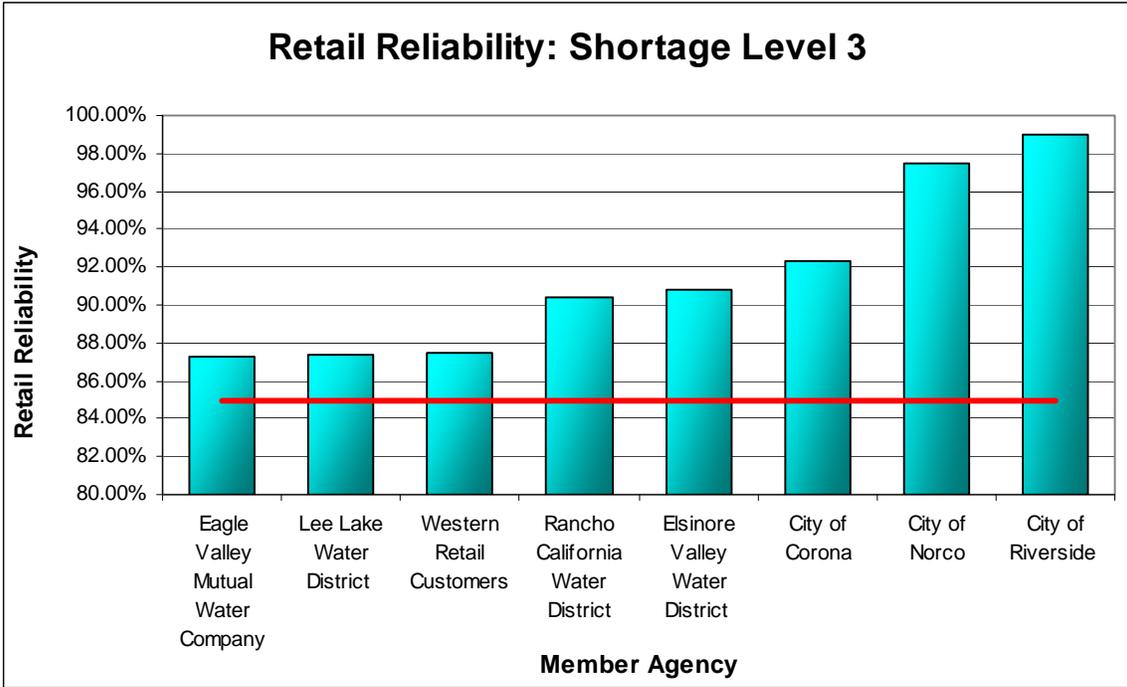
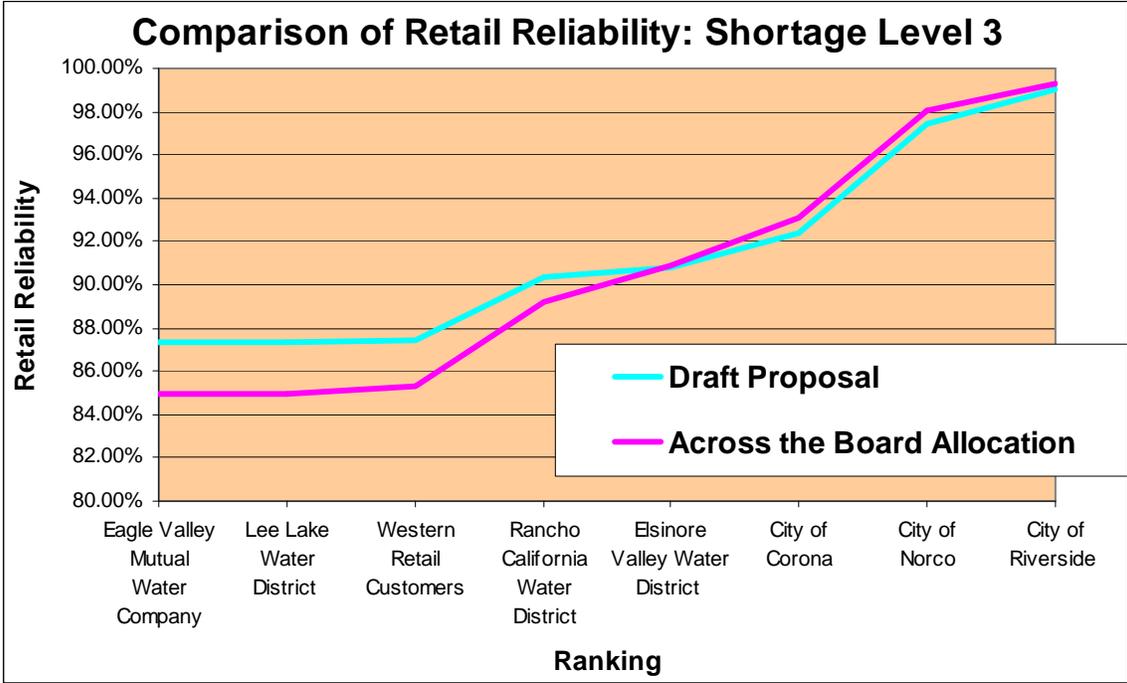
The final step in calculating this agency's allocation of Western supplies is to sum up all of the elements of the allocation formula that were calculated above.

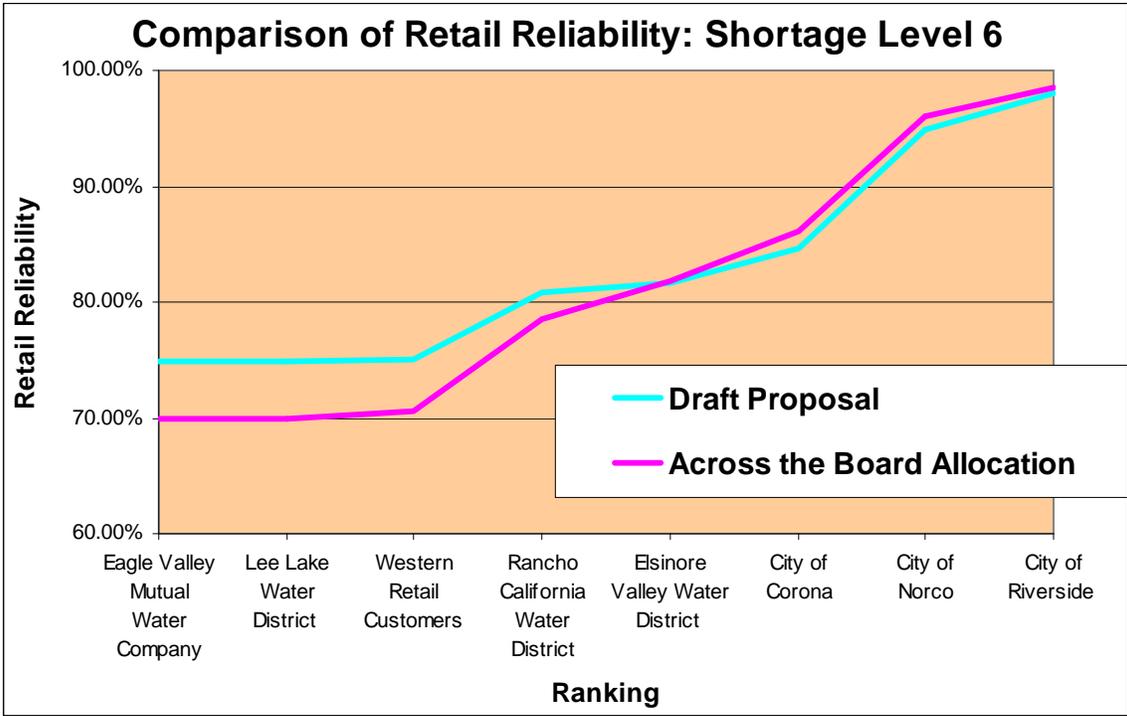
**Member Agency Reliability under Plan**

The graphs on the following pages show each wholesale customer's retail reliability under two scenarios:

1. Proposed Allocation Formula
2. An "Across the Board" Allocation – available supplies are distributed on a uniform percentage basis until all supplies are allocated.

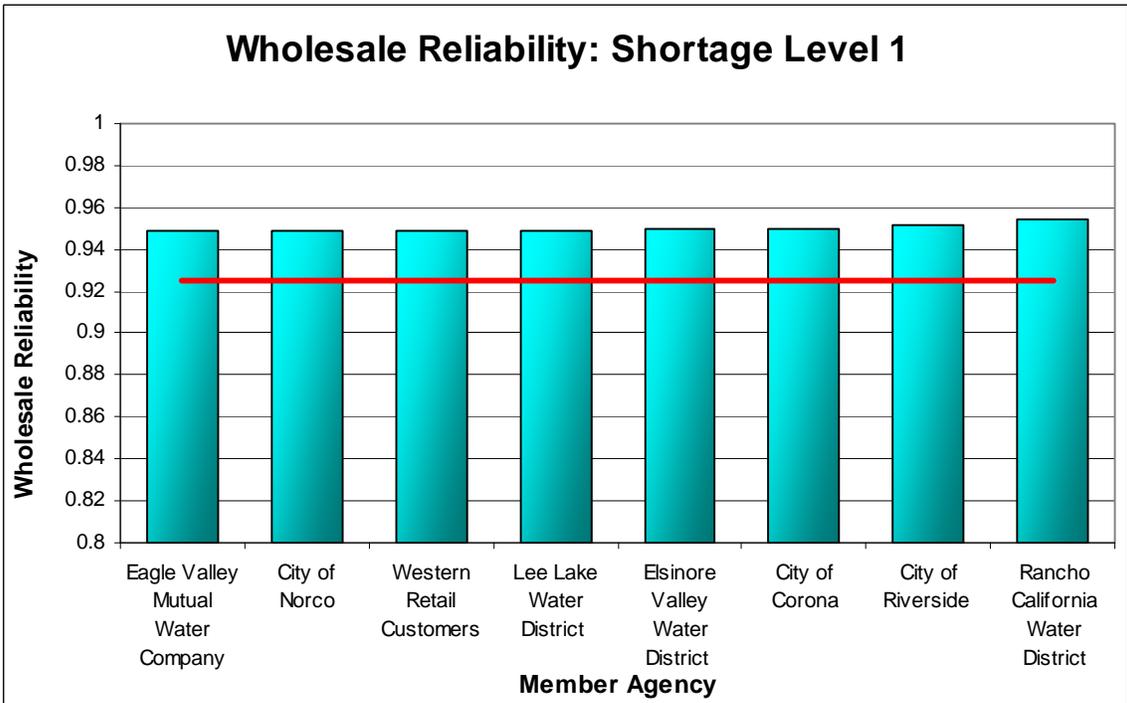
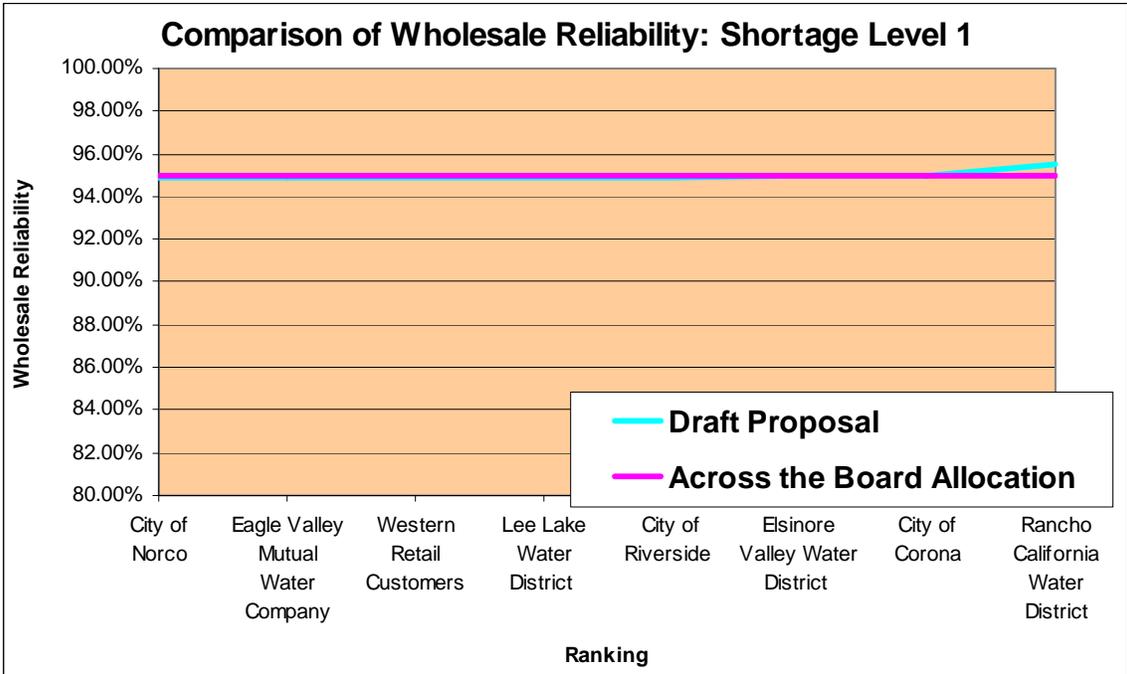


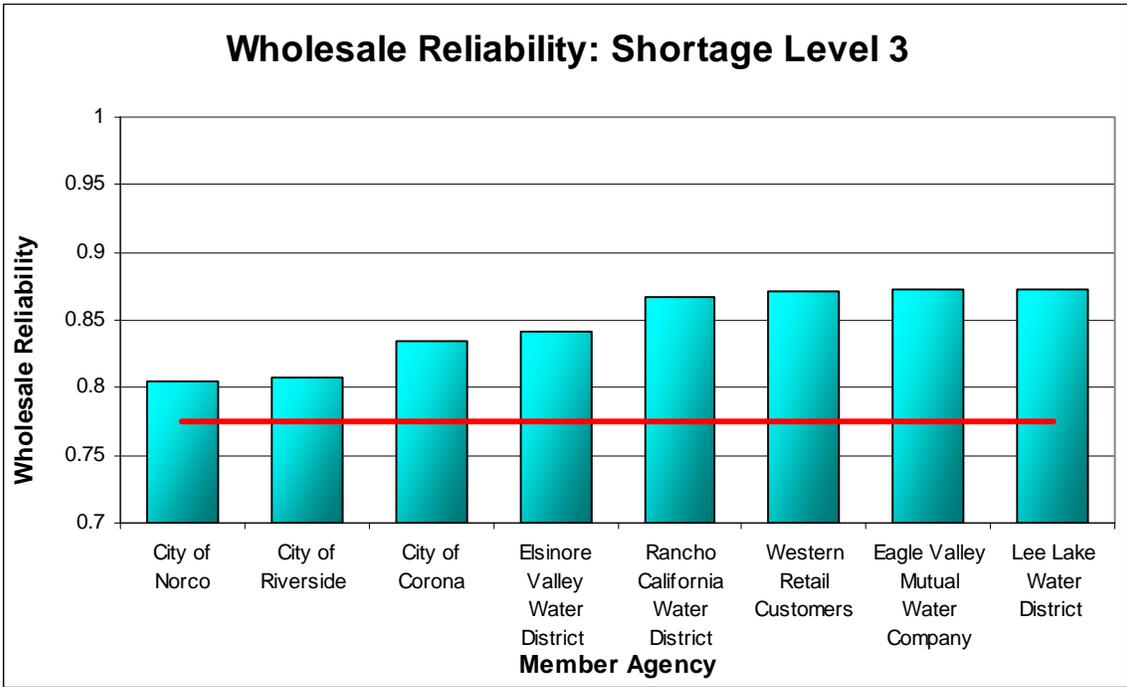
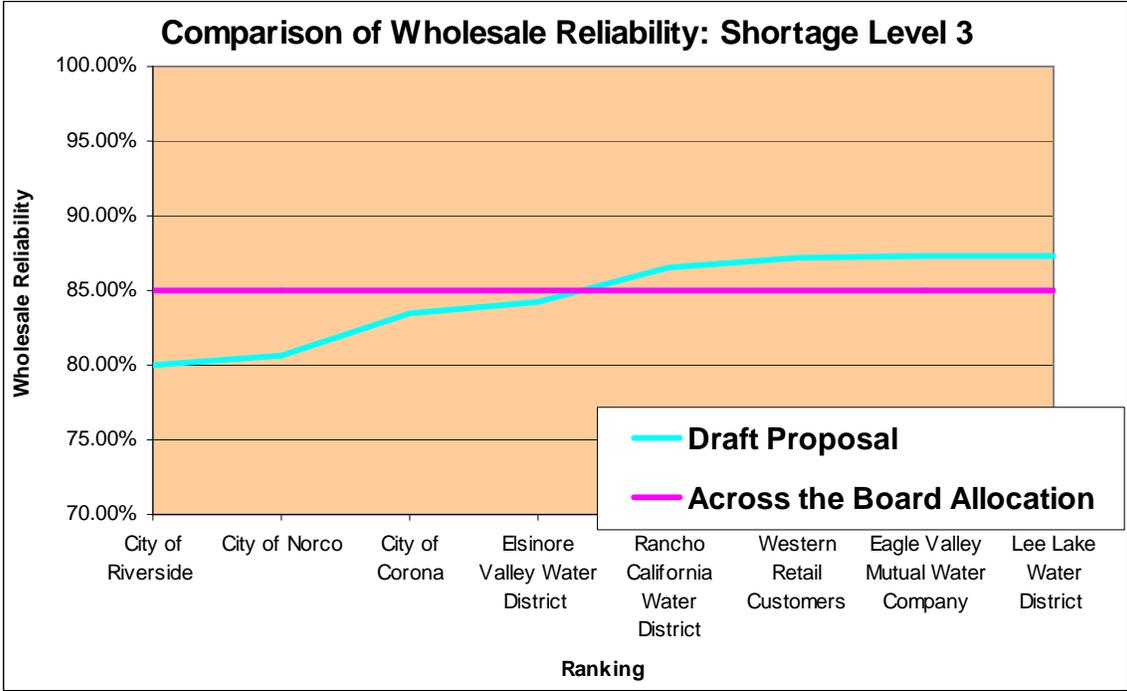


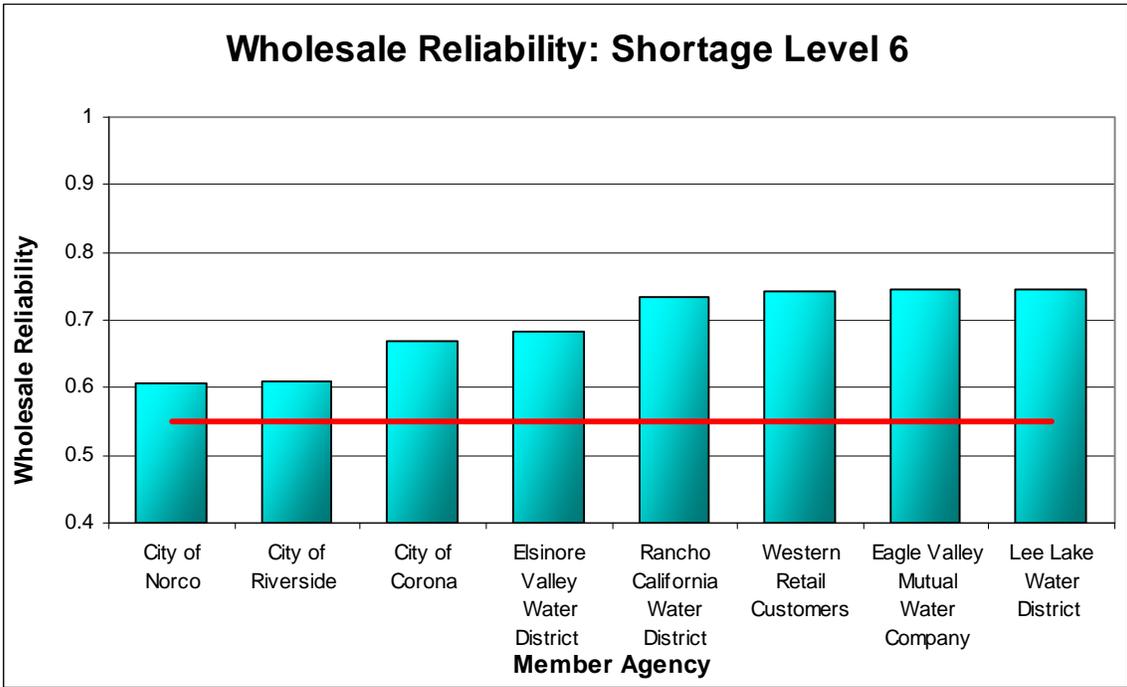
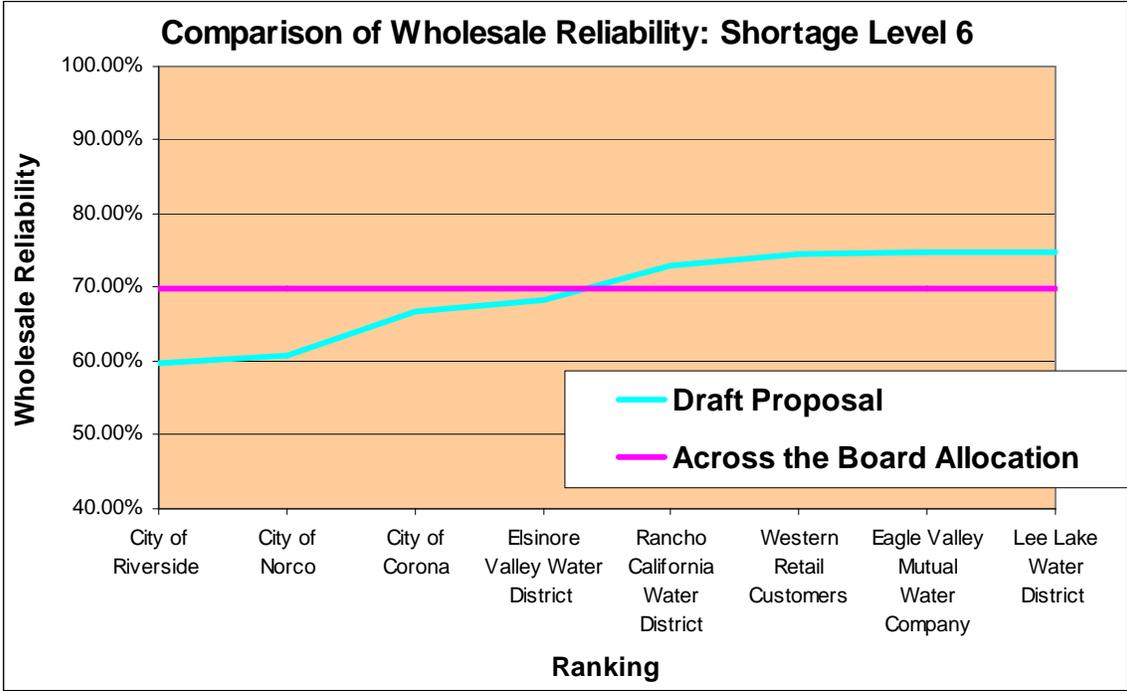


The following graphs show each wholesale customer's wholesale reliability under two scenarios:

1. Proposed Allocation Formula
2. Across the Board Allocation







## Section 4: Allocation Plan Implementation Elements

The following are the implementation elements that are necessary for administering an allocation during a time of shortage. These elements cover the processes needed to declare a shortage level as well as providing a penalty rate structure for enforcing each agency's allocation.

### *Implementing an Allocation of Supplies*

At this time, it is anticipated that the only time Western would allocate imported supplies from Metropolitan is if Metropolitan is forced to allocate its supplies through its Shortage Allocation Plan (SAP) process.

### *Setting the Shortage Level*

Should Metropolitan implement its SAP, Western staff will determine the appropriate Shortage Level so that supplies allocated at the Western service area level are equal to or less than the Metropolitan allocation. Simultaneously, Western will determine whether any appeals need to be filed with Metropolitan.

### *Allocation Period*

The allocation period for the DAP will be consistent with the period defined within Metropolitan's Shortage Allocation Plan. This allocation period covers twelve consecutive months, from July of a given year through the following June. This period was selected by Metropolitan so as to minimize the impacts of varying SWP allocations. It was also selected to provide wholesale customers with sufficient time to implement their outreach strategies and rate modifications.

### *Determination of penalties*

At the end of the allocation year, Metropolitan will bill Western for any accrued penalties. Penalties will be based on the water rates in effect the last day of June of the allocation year. Western will bill its agencies for penalties based on its penalty rate structure. Any excess funds collected will be refunded proportionately to those agencies that paid penalties.

### *Review of Drought Allocation Plan*

If the Western DAP is implemented at any time in the next three years, there will be an automatic revisit of the plan to assess its performance after the allocation period. If there is no implementation of the DAP during the next three years, there will be a formal revisit of this Plan three years from its adoption, in conjunction with Metropolitan's review of its Shortage Allocation Plan.

If necessary, Metropolitan will implement its Supply Allocation Plan by a board action at its April Board meeting. The supply allocation level is in place for 12 months from July through the following June.

Based on its allocation amount, Western will determine the appropriate shortage level necessary to allocate the available supplies from Metropolitan. Simultaneously, Western will determine whether any appeals need to be filed with Metropolitan.

The allocation period will begin July 1<sup>st</sup> of the allocation year and will continue through June 30<sup>th</sup> of the following year.

At the end of the allocation year, Metropolitan will bill Western for any accrued penalties. Penalties will be based on the water rates in effect the last day of June of the allocation year.

Western will bill its agencies for penalties based on its penalty rate structure. Any excess funds collected will be refunded proportionately to those agencies that paid penalties.

The Western DMP will be an automatically revisited to assess its performance if it is implemented at any time during the next three years. If there is no implementation of the DMP during the next three years, there will be a formal revisit of the DMP three years from its adoption.

*Penalty Rates*

For agencies that exceed their allocation under the DAP, the Workgroup developed a penalty rate schedule designed to (1) provide a significant incentive to stay within an agency's allocation and (2) cover any penalties that Western has to pay to Metropolitan as a result of exceeding its allocation. In recognition of the operational challenges that the agencies may have in exactly meeting their allocation, a tiered penalty structure was designed to accommodate some overage while still discouraging abuse. The rates will be based on the official Metropolitan water rates in effect the last day in June of the twelve-month allocation period. The penalty rate structure is presented in the table below:

<b>Penalty Rates (Above "Across the Board" Allocation)</b>			
<b>Use Up to and Including:</b>	<b>Base Water Rate</b>	<b>Penalty Rate</b>	<b>Total Rate</b>
>100% - ≤110%	Tier 1*	2 x Tier 2	Tier 1 + 2 x Tier 2
>110%	Tier 1*	4 x Tier 2	Tier 1 + 4 x Tier 2

\* In most cases, it will be the Tier 1 rate (plus Treatment Surcharge for treated water deliveries). However, it is possible that the water being purchased would be in the amount that would put an agency beyond its Tier 1 limit. In that case, the base water rate will be the Tier 2 rate (plus Treatment Surcharge for treated water deliveries).

Based on Metropolitan's recently adopted rates for calendar year 2009 for full service, treated water supplies, the following penalty rates would be in effect if an allocation were to be implemented next year:

<b>Penalty Rates (Above "Across the Board" Allocation)</b>			
<b>Use Up to and Including:</b>	<b>Base Water Rate</b>	<b>Penalty Rate</b>	<b>Total Rate</b>
>100% - ≤110%	\$579	2 x \$695= <b>\$1395</b>	\$579+\$1395= <b>\$1974</b>
>110%	\$579	4 x \$695= <b>\$2780</b>	\$579+\$2780= <b>\$3359</b>

*Discounted Penalty Rates*

In recognition that some agencies are agreeing to forego supplies they may have received under an "Across the Board" allocation, those agencies that exceed their allocation but are within the amounts they would have been allocated under an "Across the Board" allocation will receive a small discount under the following Penalty Rate schedule:

<b>Penalty Rates (Within "Across the Board" Allocation)</b>			
<b>Use Up to and Including:</b>	<b>Base Water Rate</b>	<b>Penalty Rate</b>	<b>Total Rate</b>
>100% - ≤110%	Tier 1*	1.75 x Tier 2	Tier 1 + 1.75 x Tier 2

Based on the calendar year 2009 Metropolitan rates for full service, treated water supplies, the following penalty rates would be in effect if an allocation were to be implemented next year:

<b>Penalty Rates (Within "Across the Board" Allocation)</b>			
<b>Use Up to and Including:</b>	<b>Base Water Rate</b>	<b>Penalty Rate</b>	<b>Total Rate</b>
>100% - ≤110%	\$579	1.75 x \$695= <b>\$1216</b>	\$579+\$1216= <b>\$1795</b>

Penalty rates will be only be assessed on individual wholesale customers if Western exceeds its total allocation and is required to pay a penalty to Metropolitan. No billing or assessment of penalty rates shall take place until the end of the twelve-month allocation period. Should Western collect more in penalty rates than it is required to pay to Metropolitan, excess funds will be refunded proportionately to the wholesale customers that paid the penalty.

## Appendix A: Wholesale Customer Allocation by Shortage Level

### 2008 Allocation of Imported M&I Supplies under DAP Formula

Shortage Level	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)	TOTAL
1	19,618	1,268	3,835	4	18,341	4,200	6,852	23,672	77,790
2	18,586	1,200	3,629	3	17,367	3,975	6,533	22,402	73,696
3	17,243	1,077	3,232	3	16,255	3,862	6,201	21,729	69,602
4	16,102	989	2,959	3	15,233	3,676	5,879	20,666	65,508
5	14,959	901	2,685	3	14,210	3,490	5,558	19,608	61,413
6	13,811	812	2,408	3	13,184	3,306	5,238	18,557	57,319
7	12,658	722	2,127	3	12,155	3,124	4,920	17,516	53,225
8	11,498	631	1,842	3	11,123	2,944	4,605	16,486	49,131
9	10,328	538	1,551	2	10,086	2,767	4,292	15,472	45,037
10	9,145	442	1,252	2	9,042	2,594	3,984	14,481	40,942

### 2008 Allocation of Imported M&I Supplies under Across the Board Allocation

Shortage Level	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)	TOTAL
1	19,618	1,270	3,838	4	18,348	4,204	6,814	23,694	75,964
2	18,586	1,203	3,636	3	17,383	3,983	6,455	22,447	73,696
3	17,553	1,136	3,434	3	16,417	3,762	6,097	21,200	69,602
4	16,521	1,069	3,232	3	15,451	3,540	5,738	19,953	65,508
5	15,488	1,002	3,030	3	14,486	3,319	5,380	18,706	61,413
6	14,456	936	2,828	3	13,520	3,098	5,021	17,459	57,319
7	13,423	869	2,626	2	12,554	2,877	4,662	16,212	53,225
8	12,390	802	2,424	2	11,588	2,655	4,304	14,965	49,131
9	11,358	735	2,222	2	10,623	2,434	3,945	13,718	45,037
10	10,325	668	2,020	2	9,657	2,213	3,586	12,471	40,942

### 2008 Retail Reliability under DAP Formula

Shortage Level	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)
1	98%	99%	100%	95%	97%	95%	97%	95%
2	95%	99%	99%	90%	94%	90%	94%	90%
3	92%	97%	99%	87%	91%	87%	90%	87%
4	89%	97%	99%	83%	88%	83%	87%	83%
5	87%	96%	98%	79%	85%	79%	84%	79%
6	84%	95%	98%	75%	82%	75%	81%	75%
7	81%	94%	98%	71%	78%	71%	78%	71%
8	79%	93%	97%	66%	75%	67%	75%	67%
9	76%	92%	97%	62%	72%	63%	71%	63%
10	73%	91%	97%	59%	69%	59%	68%	59%

2008 Retail Reliability under Across the Board Allocation

Shortage Level	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)
1	98%	99%	99%	95%	97%	95%	96%	95%
2	95%	99%	99%	90%	94%	90%	93%	90%
3	93%	98%	98%	85%	91%	85%	89%	85%
4	91%	97%	99%	80%	88%	80%	86%	80%
5	88%	97%	99%	75%	85%	75%	82%	75%
6	86%	96%	99%	70%	83%	70%	79%	71%
7	84%	95%	98%	65%	80%	65%	75%	66%
8	82%	95%	98%	60%	77%	60%	72%	61%
9	79%	94%	98%	55%	74%	55%	68%	56%
10	77%	93%	98%	50%	71%	50%	64%	51%

## Shortage Level 1: Calculations Spreadsheet

	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)	TOTAL
<b>POTABLE RETAIL M&amp;I DEMAND</b>									
Base Year Retail M&I Demand	42,425	10,165	80,093	4	31,669	3,148	9,875	25,178	202,557
Growth Adjustment	1.22%	1.00%	1.10%	1.00%	4.91%	40.60%	2.10%	1.00%	
Estimated Retail M&I Demand	42,942	10,267	80,975	4	33,224	4,426	10,082	25,429	207,349
<b>POTABLE LOCAL SUPPLIES</b>									
Base Year Local Supplies	22,291	8,930	76,936	-	14,620	-	2,910	488	126,174
Gain of Local Supply Adjustment	-	-	-	-	-	-	-	-	-
Loss of Local Supply Adjustment	-	-	-	-	710	-	-	-	-
Extraordinary Increase Production Adjustment	-	-	-	-	-	-	-	-	-
Expected Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
Regional Contribution Factor	0%	0%	0%	0%	0%	0%	0%	0%	
Estimated Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
<b>WMWD M &amp; I ALLOCATION</b>									
Demand for Firm WMWD Supplies	20,651	1,337	4,040	4	19,314	4,426	7,173	24,941	81,885
Dependence on WMWD	48%	13%	5%	100%	58%	100%	71%	98%	
Wholesale Promise	92.5%	92.5%	92.5%	92.5%	92.5%	92.5%	92.5%	92.5%	
Regional Economic Impact Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Adjusted Wholesale Promise	93%	93%	93%	93%	93%	93%	93%	93%	
Wholesale Promise Allocation	19,102	1,236	3,737	4	17,866	4,094	6,635	23,071	75,743
<b>HARDENING ADJUSTMENTS</b>									
Base Year Conservation	534	-	221	-	237	4	816	22	
Conservation Hardening Factor	3.61%	0.98%	0.37%	7.50%	4.36%	7.50%	5.34%	7.36%	
Conservation Hardening Adjustment	19	-	1	-	10	0	44	2	
Total Adjustments	19	-	1	-	10	0	44	2	
<b>SUB-TOTAL WMWD ALLOCATION</b>									
	19,121	1,236	3,737	4	17,876	4,099	6,678	23,072	75,824
Retail Reliability Adjustment						5			5
<b>UNALLOCATED SUPPLIES</b>									
Portion of Unallocated Supplies	25.22%	1.63%	4.93%	0.00%	23.58%	5.41%	8.81%	30.43%	
Unallocated Supplies	495	32	97	0	462	106	173	597	1,961
<b>TOTAL WMWD ALLOCATION</b>	<b>19,616</b>	<b>1,268</b>	<b>3,834</b>	<b>4</b>	<b>18,338</b>	<b>4,205</b>	<b>6,851</b>	<b>23,669</b>	<b>77,785</b>
Retail Reliability	98%	99%	100%	95%	97%	95%	97%	95%	

## Shortage Level 2: Calculations Spreadsheet

	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)	TOTAL
<b>POTABLE RETAIL M&amp;I DEMAND</b>									
Base Year Retail M&I Demand	42,425	10,165	80,093	4	31,669	3,148	9,875	25,178	202,557
Growth Adjustment	1.22%	1.00%	1.10%	1.00%	4.91%	40.60%	2.10%	1.00%	
Estimated Retail M&I Demand	42,942	10,267	80,975	4	33,224	4,426	10,082	25,429	207,349
<b>POTABLE LOCAL SUPPLIES</b>									
Base Year Local Supplies	22,291	8,930	76,936	-	14,620	-	2,910	488	126,174
Gain of Local Supply Adjustment	-	-	-	-	-	-	-	-	-
Loss of Local Supply Adjustment	-	-	-	-	710	-	-	-	-
Extraordinary Increase Production Adjustment	-	-	-	-	-	-	-	-	-
Expected Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
Regional Contribution Factor	0%	0%	0%	0%	0%	0%	0%	0%	
Estimated Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
<b>WMWD M &amp; I ALLOCATION</b>									
Demand for Firm WMWD Supplies	20,651	1,337	4,040	4	19,314	4,426	7,173	24,941	81,885
Dependence on WMWD	48%	13%	5%	100%	58%	100%	71%	98%	
Wholesale Promise	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	
Regional Economic Impact Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Adjusted Wholesale Promise	85%	85%	85%	85%	85%	85%	85%	85%	
Wholesale Promise Allocation	17,553	1,136	3,434	3	16,417	3,762	6,097	21,200	69,602
<b>HARDENING ADJUSTMENTS</b>									
Base Year Conservation	534	-	221	-	237	4	816	22	
Conservation Hardening Factor	7.21%	1.95%	0.75%	15.00%	8.72%	15.00%	10.67%	14.71%	
Conservation Hardening Adjustment	39	-	2	-	21	1	87	3	
Total Adjustments	39	-	2	-	21	1	87	3	
<b>SUB-TOTAL WMWD ALLOCATION</b>									
	17,592	1,136	3,435	3	16,438	3,771	6,184	21,203	69,763
Retail Reliability Adjustment						9			9
<b>UNALLOCATED SUPPLIES</b>									
Portion of Unallocated Supplies	25.22%	1.63%	4.92%	0.00%	23.56%	5.41%	8.86%	30.39%	
Unallocated Supplies	990	64	193	0	925	212	348	1,193	3,925
<b>TOTAL WMWD ALLOCATION</b>	<b>18,581</b>	<b>1,200</b>	<b>3,629</b>	<b>3</b>	<b>17,362</b>	<b>3,983</b>	<b>6,532</b>	<b>22,396</b>	<b>73,687</b>
Retail Reliability	95%	99%	99%	90%	94%	90%	94%	90%	

## Shortage Level 3: Calculations Spreadsheet

	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)	TOTAL
<b>POTABLE RETAIL M&amp;I DEMAND</b>									
Base Year Retail M&I Demand	42,425	10,165	80,093	4	31,669	3,148	9,875	25,178	202,557
Growth Adjustment	1.22%	1.00%	1.10%	1.00%	4.91%	40.60%	2.10%	1.00%	
Estimated Retail M&I Demand	42,942	10,267	80,975	4	33,224	4,426	10,082	25,429	207,349
<b>POTABLE LOCAL SUPPLIES</b>									
Base Year Local Supplies	22,291	8,930	76,936	-	14,620	-	2,910	488	126,174
Gain of Local Supply Adjustment	-	-	-	-	-	-	-	-	-
Loss of Local Supply Adjustment	-	-	-	-	710	-	-	-	-
Extraordinary Increase Production Adjustment	-	-	-	-	-	-	-	-	-
Expected Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
Regional Contribution Factor	15%	15%	15%	15%	15%	15%	15%	15%	
Estimated Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
<b>WMWD M &amp; I ALLOCATION</b>									
Demand for Firm WMWD Supplies	20,651	1,337	4,040	4	19,314	4,426	7,173	24,941	81,885
Dependence on WMWD	48%	13%	5%	100%	58%	100%	71%	98%	
Wholesale Promise	77.5%	77.5%	77.5%	77.5%	77.5%	77.5%	77.5%	77.5%	
Regional Economic Impact Adjustment	3.6%	1.0%	0.4%	7.5%	4.4%	7.5%	5.3%	7.4%	
Adjusted Wholesale Promise	81%	78%	78%	85%	82%	85%	83%	85%	
Wholesale Promise Allocation	16,749	1,049	3,146	3	15,811	3,762	5,942	21,164	67,625
<b>HARDENING ADJUSTMENTS</b>									
Base Year Conservation	534	-	221	-	237	4	816	22	
Conservation Hardening Factor	9.09%	2.80%	1.10%	15.00%	10.55%	15.00%	12.21%	14.85%	
Conservation Hardening Adjustment	49	-	2	-	25	1	100	3	
Total Adjustments	49	-	2	-	25	1	100	3	
<b>SUB-TOTAL WMWD ALLOCATION</b>									
	16,798	1,049	3,148	3	15,836	3,762	6,041	21,168	67,805
Retail Reliability Adjustment									0
<b>UNALLOCATED SUPPLIES</b>									
Portion of Unallocated Supplies	24.77%	1.55%	4.64%	0.00%	23.35%	5.55%	8.91%	31.22%	
Unallocated Supplies	445	28	83	0	420	100	160	561	1,797
<b>TOTAL WMWD ALLOCATION</b>	<b>17,243</b>	<b>1,077</b>	<b>3,232</b>	<b>3</b>	<b>16,255</b>	<b>3,862</b>	<b>6,201</b>	<b>21,729</b>	<b>69,602</b>
Retail Reliability	92%	97%	99%	87%	91%	87%	90%	87%	

## Shortage Level 4: Calculations Spreadsheet

	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)	TOTAL
<b>POTABLE RETAIL M&amp;I DEMAND</b>									
Base Year Retail M&I Demand	42,425	10,165	80,093	4	31,669	3,148	9,875	25,178	202,557
Growth Adjustment	1.22%	1.00%	1.10%	1.00%	4.91%	40.60%	2.10%	1.00%	
Estimated Retail M&I Demand	42,942	10,267	80,975	4	33,224	4,426	10,082	25,429	207,349
<b>POTABLE LOCAL SUPPLIES</b>									
Base Year Local Supplies	22,291	8,930	76,936	-	14,620	-	2,910	488	126,174
Gain of Local Supply Adjustment	-	-	-	-	-	-	-	-	-
Loss of Local Supply Adjustment	-	-	-	-	710	-	-	-	-
Extraordinary Increase Production Adjustment	-	-	-	-	-	-	-	-	-
Expected Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
Regional Contribution Factor	20%	20%	20%	20%	20%	20%	20%	20%	
Estimated Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
<b>WMWD M &amp; I ALLOCATION</b>									
Demand for Firm WMWD Supplies	20,651	1,337	4,040	4	19,314	4,426	7,173	24,941	81,885
Dependence on WMWD	48%	13%	5%	100%	58%	100%	71%	98%	
Wholesale Promise	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	
Regional Economic Impact Adjustment	4.8%	1.3%	0.5%	10.0%	5.8%	10.0%	7.1%	9.8%	
Adjusted Wholesale Promise	75%	71%	70%	80%	76%	80%	77%	80%	
Wholesale Promise Allocation	15,449	953	2,848	3	14,643	3,540	5,531	19,905	62,872
<b>HARDENING ADJUSTMENTS</b>									
Base Year Conservation	534	-	221	-	237	4	816	22	
Conservation Hardening Factor	12.11%	3.74%	1.47%	20.00%	14.06%	20.00%	16.28%	19.80%	
Conservation Hardening Adjustment	65	-	3	-	33	1	133	4	
Total Adjustments	65	-	3	-	33	1	133	4	
<b>SUB-TOTAL WMWD ALLOCATION</b>									
	15,513	953	2,851	3	14,676	3,541	5,664	19,910	63,111
Retail Reliability Adjustment									0
<b>UNALLOCATED SUPPLIES</b>									
Portion of Unallocated Supplies	24.58%	1.51%	4.52%	0.00%	23.25%	5.61%	8.97%	31.55%	
Unallocated Supplies	589	36	108	0	557	134	215	756	2,396
<b>TOTAL WMWD ALLOCATION</b>	<b>16,102</b>	<b>989</b>	<b>2,959</b>	<b>3</b>	<b>15,233</b>	<b>3,676</b>	<b>5,879</b>	<b>20,666</b>	<b>65,508</b>
Retail Reliability	89%	97%	99%	83%	88%	83%	87%	83%	

## Shortage Level 5: Calculations Spreadsheet

	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)	TOTAL
<b>POTABLE RETAIL M&amp;I DEMAND</b>									
Base Year Retail M&I Demand	42,425	10,165	80,093	4	31,669	3,148	9,875	25,178	202,557
Growth Adjustment	1.22%	1.00%	1.10%	1.00%	4.91%	40.60%	2.10%	1.00%	
Estimated Retail M&I Demand	42,942	10,267	80,975	4	33,224	4,426	10,082	25,429	207,349
<b>POTABLE LOCAL SUPPLIES</b>									
Base Year Local Supplies	22,291	8,930	76,936	-	14,620	-	2,910	488	126,174
Gain of Local Supply Adjustment	-	-	-	-	-	-	-	-	-
Loss of Local Supply Adjustment	-	-	-	-	710	-	-	-	-
Extraordinary Increase Production Adjustment	-	-	-	-	-	-	-	-	-
Expected Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
Regional Contribution Factor	25%	25%	25%	25%	25%	25%	25%	25%	
Estimated Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
<b>WMWD M &amp; I ALLOCATION</b>									
Demand for Firm WMWD Supplies	20,651	1,337	4,040	4	19,314	4,426	7,173	24,941	81,885
Dependence on WMWD	48%	13%	5%	100%	58%	100%	71%	98%	
Wholesale Promise	62.5%	62.5%	62.5%	62.5%	62.5%	62.5%	62.5%	62.5%	
Regional Economic Impact Adjustment	6.0%	1.6%	0.6%	12.5%	7.3%	12.5%	8.9%	12.3%	
Adjusted Wholesale Promise	69%	64%	63%	75%	70%	75%	71%	75%	
Wholesale Promise Allocation	14,148	857	2,550	3	13,475	3,319	5,121	18,646	58,119
<b>HARDENING ADJUSTMENTS</b>									
Base Year Conservation	534	-	221	-	237	4	816	22	
Conservation Hardening Factor	15.14%	4.67%	1.84%	25.00%	17.58%	25.00%	20.35%	24.76%	
Conservation Hardening Adjustment	81	-	4	-	42	1	166	5	
Total Adjustments	81	-	4	-	42	1	166	5	
<b>SUB-TOTAL WMWD ALLOCATION</b>									
	14,229	857	2,554	3	13,516	3,320	5,287	18,652	58,418
Retail Reliability Adjustment									0
<b>UNALLOCATED SUPPLIES</b>									
Portion of Unallocated Supplies	24.36%	1.47%	4.37%	0.00%	23.14%	5.68%	9.05%	31.93%	
Unallocated Supplies	730	44	131	0	693	170	271	956	2,995
<b>TOTAL WMWD ALLOCATION</b>	<b>14,959</b>	<b>901</b>	<b>2,685</b>	<b>3</b>	<b>14,210</b>	<b>3,490</b>	<b>5,558</b>	<b>19,608</b>	<b>61,413</b>
Retail Reliability	87%	96%	98%	79%	85%	79%	84%	79%	

## Shortage Level 6: Calculations Spreadsheet

	City of Corona	City of Norco	City of Riverside	Eagle Valley MWC	Elsinore Valley MWD	Lee Lake WD	Rancho California WD	Western (Retail)	TOTAL
<b>POTABLE RETAIL M&amp;I DEMAND</b>									
Base Year Retail M&I Demand	42,425	10,165	80,093	4	31,669	3,148	9,875	25,178	202,557
Growth Adjustment	1.22%	1.00%	1.10%	1.00%	4.91%	40.60%	2.10%	1.00%	
Estimated Retail M&I Demand	42,942	10,267	80,975	4	33,224	4,426	10,082	25,429	207,349
<b>POTABLE LOCAL SUPPLIES</b>									
Base Year Local Supplies	22,291	8,930	76,936	-	14,620	-	2,910	488	126,174
Gain of Local Supply Adjustment	-	-	-	-	-	-	-	-	-
Loss of Local Supply Adjustment	-	-	-	-	710	-	-	-	-
Extraordinary Increase Production Adjustment	-	-	-	-	-	-	-	-	-
Expected Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
Regional Contribution Factor	30%	30%	30%	30%	30%	30%	30%	30%	
Estimated Local Supplies	22,291	8,930	76,936	-	13,910	-	2,910	488	125,464
<b>WMWD M &amp; I ALLOCATION</b>									
Demand for Firm WMWD Supplies	20,651	1,337	4,040	4	19,314	4,426	7,173	24,941	81,885
Dependence on WMWD	48%	13%	5%	100%	58%	100%	71%	98%	
Wholesale Promise	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	
Regional Economic Impact Adjustment	7.2%	2.0%	0.7%	15.0%	8.7%	15.0%	10.7%	14.7%	
Adjusted Wholesale Promise	62%	57%	56%	70%	64%	70%	66%	70%	
Wholesale Promise Allocation	12,848	761	2,252	3	12,307	3,098	4,710	17,387	53,366
<b>HARDENING ADJUSTMENTS</b>									
Base Year Conservation	534	-	221	-	237	4	816	22	
Conservation Hardening Factor	18.17%	5.60%	2.21%	30.00%	21.09%	30.00%	24.42%	29.71%	
Conservation Hardening Adjustment	97	-	5	-	50	1	199	6	
Total Adjustments	97	-	5	-	50	1	199	6	
<b>SUB-TOTAL WMWD ALLOCATION</b>	<b>12,945</b>	<b>761</b>	<b>2,257</b>	<b>3</b>	<b>12,357</b>	<b>3,099</b>	<b>4,910</b>	<b>17,394</b>	<b>53,725</b>
Retail Reliability Adjustment									0
<b>UNALLOCATED SUPPLIES</b>									
Portion of Unallocated Supplies	24.09%	1.42%	4.20%	0.00%	23.00%	5.77%	9.14%	32.38%	
Unallocated Supplies	866	51	151	0	827	207	328	1,164	3,594
<b>TOTAL WMWD ALLOCATION</b>	<b>13,811</b>	<b>812</b>	<b>2,408</b>	<b>3</b>	<b>13,184</b>	<b>3,306</b>	<b>5,238</b>	<b>18,557</b>	<b>57,319</b>
Retail Reliability	84%	95%	98%	75%	82%	75%	81%	75%	

## Appendix B: Drought Allocation Plan Questionnaire and Results

### Questionnaire

The Western Municipal Water District (WMWD) is coordinating the development of a Drought Allocation Plan to support our collective response to continued drought conditions. The Drought Allocation Plan will encompass steps that may include allocating water, communication strategy, buying transfer water, and other issues. Malcolm Pirnie, Inc. is assisting us in identifying all planning issues of importance. The following questionnaire will assist in framing the WMWD member agency issues for planned Drought Allocation Plan workshops. The questions below have been separated into four different sections. These sections included questions related to the: overall plan, other supplies, drought allocation, and communication

Please answer each question to the best of your ability. There is a comment section at the end of the questionnaire if there are important considerations that are not touched on by these questions.

Thank you in advance for your participation in this survey. The responses to the questionnaire will be summarized and presented to the member agencies at the first DAP workshop.

**To complete this survey, please save a copy to your computer. Select the answer to each question by clicking on "Please Select" button beneath the question. After you have completed the questionnaire, please e-mail it to [ahunt@pirnie.com](mailto:ahunt@pirnie.com) .**

### 1. Overall Plan

1. Please rank the most important issue regarding a Drought Allocation Plan for your agency. Please rank in order from most important to least important from the following list. (One is the most important, two is the second most important, etc.)

- Equitable allocation of cutbacks
- Avoid allocation of water
- Communication strategy
- Procedure for acquiring transfer water
- Penalty provisions
- Cost of procuring other supplies
- Encouragement of conservation and recycling
- Encouragement of investment in local resources
- Other (describe) \_\_\_\_\_

2. Should Western provide an incentive per acre-foot for increased conservation prior to instituting a drought allocation? If so, describe the type of incentive and basis for benchmarking conservations savings:

Describe

---

## **2. Other Supplies**

3. Should WMWD purchase water transfer options that it may not need to exercise to avoid rationing?  
 Yes     No
4. If WMWD purchases options that it does not need to buy, should it take that water anyway and sell it to its member agencies instead of taking Metropolitan water for a like amount if the total water cost including wheeling would cost more than Metropolitan water?  
 Yes     No
5. Should WMWD enter into blanket agreement with MWD to wheel water on an as-needed basis at some agreed upon rate?  
 Yes     No
6. If yes, should the agreement be entered into in advance of a drought?  
 Yes     No

## **3. Drought Allocation**

7. Please rank from most important to least important, the most important issue regarding a shortage allocation methodology for your agency. One is the most important; two is the second most important, etc.
- Equity of water allocations
  - Communication strategy
  - Adjustments for demand hardening
  - Adjustments for growth
  - Financial penalties
  - Ease in administering program
  - Other (describe)\_\_\_\_\_
8. The allocation methodology should be based on
- Historic demands
  - Projected demands

Other (Describe) \_\_\_\_\_

9. Allocation adjustments should be made for (select one or more):

- Demand hardening (i.e. recycled water and conservation)
- Growth
- Loss of local supply
- Other (describe) \_\_\_\_\_

10. During an allocation, if an agency receives an adjustment for growth, how much more should it pay for that water than other supplies from WMWD?

- \$0
- The difference between the Tier 1 and Tier 2 rate
- The cost of transfer water
- The melded cost of developing new supplies for WMWD
- Other (Describe) \_\_\_\_\_

11. What should be the timing of notices versus implementation of stages? What is the *minimum* number of months that notices from WMWD should precede implementation of stages?

- One
- Two
- Three
- Four
- Five
- Six

12. If a member agency would rather pay a premium for water and not conserve during an allocation, should it be able to without negative repercussions?

- Yes     No

13. At the member agency level, what means should be used for enforcement of allocations?

- Pricing
- Flow restrictions
- Negative publicity
- Other (Describe) \_\_\_\_\_

14. What is an appropriate disincentive to achieve conservation?

- Tiered based on the amount of shortage
- Twice the Tier 1 rate
- Three times the Tier 1 rate
- Twice the Tier 2 rate
- Three times the Tier 2 rate
- Other (Describe) \_\_\_\_\_

15. Should agencies be able to market their unused allocation within WMWD for profit to other agencies?

Yes    No

16. If your answer to 15 above is yes, should the agency be able to receive adjustments for growth, loss of local supply and demand hardening which it is then able to market?

Yes    No

#### **4. Communications**

17. Should a communications strategy within the Drought Allocation Plan specify actions and timing of communications?

Yes    No

18. Should a "Drought Coordination Council" made up of member agency managers and WMWD staff be established to support WMWD's General Manager with communication efforts during a drought?

Yes    No

#### **Results**

The questionnaire was completed by 4 agencies and was partially completed by 2 agencies. The majority of respondents agreed on the following:

- Encouragement of conservation and recycling and encouragement of investment in local resources are the most important issues regarding a DAP.
- Penalty provisions and avoidance of allocation of water are the least important issues regarding a DAP.
- Western should provide an incentive for increased conservation prior to instituting a drought allocation
- WMWD should purchase transfer options that it may not need to avoid rationing, but should not take the water if it isn't needed and the total cost would be more than Metropolitan water.
- WMWD should enter into a blanket agreement with MWD to wheel water on an as-needed basis in advance of a drought
- Allocation methodology should be based on historic demands
- Allocation adjustments should be made for demand hardening, growth, and loss of local supply
- If an agency receives an adjustment for growth during an allocation, it should not pay more for that water than other supplies.

- Agencies should not be able to pay a premium for water and not conserve during an allocation without negative repercussions
- Pricing should be used to enforce allocations at the member agency level
- Agencies should be able to market their unused allocation within WMWD for profit and should be able to receive adjustments for growth, loss of local supply, and demand hardening which they are then able to market
- A communications strategy should specify actions and timing of communications
- A Drought Coordination Council made up of member agency managers should be established to support WMWD's General Manager with communication efforts during a drought.

## **Appendix C: Overview of the Metropolitan Water District Shortage Allocation Plan**

Metropolitan's Shortage Allocation Plan is the basis for allocation of shortages in supplies to member agencies should Metropolitan be unable to meet total firm demands. The plan was prepared in 2007 due to dry conditions and uncertainty about future pumping operations from the State Water Project caused by fishery protection measures in the Sacramento-San Joaquin Bay-Delta. Metropolitan staff worked jointly with the member agency managers and staff to develop the Plan.

The Plan is based upon the 1999 Water Surplus and Drought Allocation Plan (WSDM Plan), which introduced the concept of using a base period to estimate water needs under an allocation.

### **Water Surplus and Drought Allocation Plan**

The Water Surplus and Drought Allocation Plan (WSDM) is the Drought Allocation Plan that Metropolitan currently operates under. The WSDM Plan addresses both drought actions and water surplus actions. However, a water allocation methodology in the event "rationing" becomes necessary is not included in the WSDM Plan.

The following are the guiding principle, supporting principles and implementation goals of the WSDM Plan:

#### ***Guiding Principle***

- Metropolitan will encourage storage of water during periods of surplus and work jointly with its Member Agencies to minimize the impacts of water shortages on the region's retail consumers and economy during periods of shortage.

#### ***Supporting Principles***

- Maintain an ongoing coordinated effort among Metropolitan and its Member Agencies to encourage efficient water use and cost-effective local resource
- Encourage local and regional storage during periods of surplus and use of storage during periods of shortage.
- Manage and operate Metropolitan's regional storage and delivery system in coordination with local facilities to capture and store surplus water in local groundwater and surface reservoirs.
- Arrange for secure sources of additional water from outside the region for use during periods of shortage.

- Call upon sources of additional water from outside the region and water stored locally to meet the needs of consumers and protect the economy during periods of shortage.

### ***WSDM Plan Implementation Goals***

- Avoid mandatory import water allocations to the extent practicable.
- Equitably allocate imported water on the basis of agencies' needs. Considerations to create an equitable allocation of imported water may include:
  - Impact on retail consumers and economy
  - Reclamation/Recycling
  - Conservation
  - Population and economic growth
  - Investment in local resources
  - Change and/or loss of local supply
  - Participation in Metropolitan's Non-firm (interruptible) Programs
  - Investment in Metropolitan's facilities.
- Encourage storage of surplus supplies to mitigate shortages and improve water quality.<sup>9</sup>

Although an allocation method was not adopted, a draft plan was devised and specific concepts of an allocation are laid out in the WSDM Plan. These concepts include an overall policy objective of the allocation method as follows: "...to minimize the impacts to any one agency and the region as a whole. To meet that objective, the method of allocating firm imported supply will account for:

- Each agency's demands on Metropolitan,
- Each agency's local resources,
- Each agency's total retail demands."<sup>10</sup>

Water sales to an agency up to the amount allocated will be at the prevailing full service rate. Deliveries for water use from 100 to 102% of the allocation would be charged the prevailing full service rate plus \$175 per acre-foot (this cost is similar to the cost of Governors Water Bank water offered for sale in the 1987-92 drought). Water deliveries in excess of 102% of the target amount would be charged three times the full service rate.

The WSDM Plan has four resource stages in which actions fall. These resource stages are:

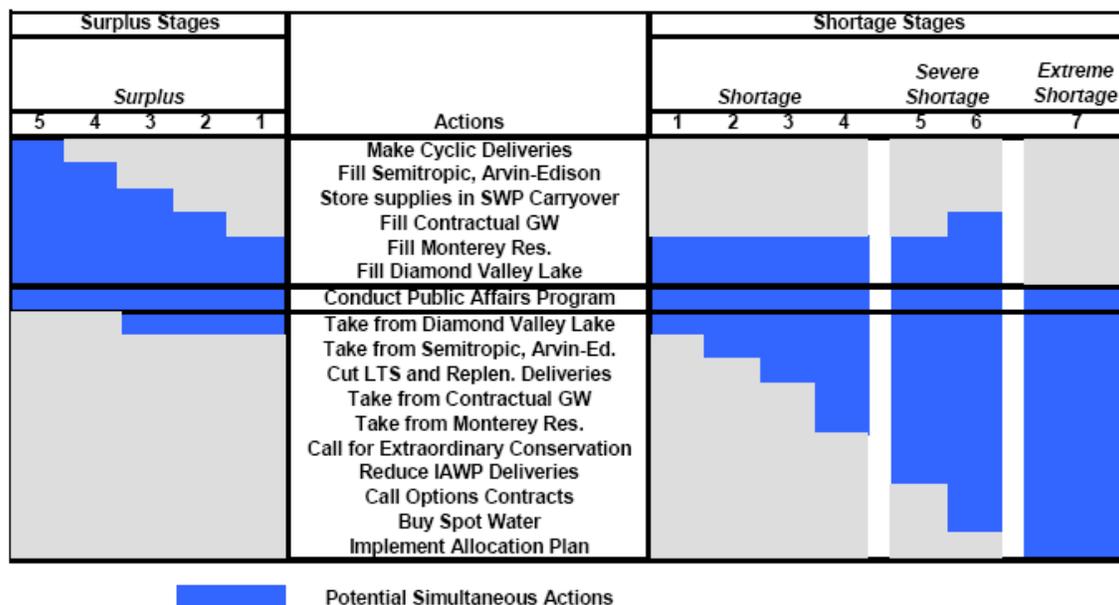
- **Surplus:** Supplies are sufficient to allow Metropolitan to meet Full Service demands, make deliveries to all interruptible programs (replenishment, long term seasonal storage, and agricultural deliveries), and deliver water to regional and local facilities for storage.

- **Shortage:** Supplies are sufficient to allow Metropolitan to meet Full Service demands and make partial or full deliveries to interruptible programs, sometimes using stored water and voluntary water transfers.
- **Severe Shortage:** Supplies are insufficient and Metropolitan is required to make withdrawals from storage, call on its water transfers, and possibly call for extraordinary drought conservation and reduce deliveries under the IAWP.
- **Extreme Shortage:** Supplies are insufficient and Metropolitan is required to allocate available imported supplies.<sup>11</sup>

Based on the resource stage that Metropolitan is in, varying actions may occur. These actions are shown in Figure 1 below as developed by Metropolitan. The matrix acts as a “framework”. Actual response would be based on conditions at the time of need.

**Figure 3-1: Sequence of WSDM Plan Water Resource Management Steps**

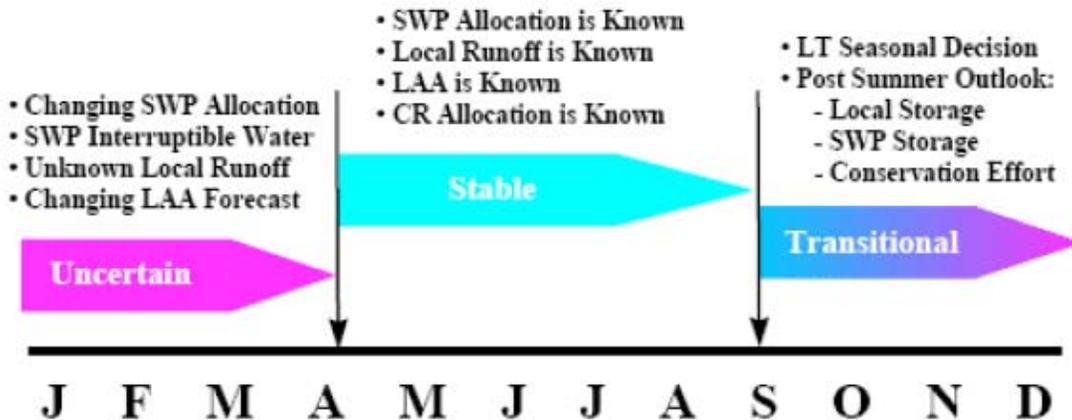
*Figure 1: Sequence of WSDM Plan Water Resource Management Steps*



The matrix is read from the center of the “Actions” column to the right or left. If Metropolitan is in a surplus stage, it would be read from the center up and to the left. If Metropolitan is in shortage stages, it would be read from the center down and to the right. Metropolitan’s General Manager has authority to act on all surplus actions and shortage actions 1 through 4. Metropolitan’s Board must approve actions 5 through 7.

The timeline below from the WSDM Plan shows a hypothetical shortage year.<sup>12</sup>

Figure 3-2: Shortage Year Timeline



From January through April, supplies are uncertain. The State Water Project (SWP) allocation is changing based on hydrology as well as the Los Angeles Aqueduct (LAA). From May through the end of September, supplies are known and actions have been taken in response to those known supplies. From October through December, a transitional period develops where there is uncertainty on the availability of supplies for the following period, and a decision is made on whether to offer long-term storage deliveries to member agencies as well as assess local storage, SWP storage and conservation efforts that have occurred.

A Drought Program Officer will administer the public outreach programs. The DPO will be responsible for coordinating the various activities during a drought.

### Metropolitan Shortage Allocation Plan

Metropolitan's November 20, 2007 Board Letter on the Draft Metropolitan Proposed Shortage Allocation Plan identifies the following central objectives of the Plan:

1. Address retail demands and wholesale water needs in the allocation year;
2. Adjust for factors such as population or economic growth, demand hardening, conservation savings, local investment, and the need for wholesale imported water; and
3. Employ an allocation formula that is as equitable as possible on the wholesale level while helping minimize hardships experienced by individuals and by the regional economy at the retail level.

The Plan employs a “two promise method” for supply allocation to ensure that:

1. On a retail level, shortages do not exceed the total Metropolitan percentage shortage (“Retail Promise”)
2. On a wholesale level, shortages do not exceed one and a half times the total Metropolitan percentage shortage (“Wholesale Promise”)

Key elements of the plan include:

- **Base Period-** Use of historical data is needed to estimate retail demands, local supplies, and wholesale water needs. The Plan uses a three-year average historical period as its base, with the initial period being 2004 through 2006. It is understood that this base period will be updated or adjusted as time progresses.
- **Growth Adjustment-** Estimates of retail demands need to be adjusted for growth that occurred between an allocation year and the base period. The Proposal uses county-level estimates of average annual growth in population as a proxy for member agency growth. Agencies will also have a choice to use a weighted average of population and job growth instead of just population.
- **Local Supply Adjustment-** Estimates of local supplies need to be adjusted for gains, losses, and extraordinary increases. These adjustments are critical to having reasonable estimates of total retail water needs.
- **Demand Hardening-** The Plan recognizes that significant increases in non-potable recycling and conservation savings devices can harden demands, and make additional reductions in water use more difficult to achieve. To address hardening due to non-potable recycling, non-potable recycling deliveries and the associated demands are not included in the allocation formula, thereby making all elements of the plan applicable to potable water uses only. To address hardening due to conservation, the Plan provides a credit based on the amount of conservation savings within a member agency and the regional shortage level declared by Metropolitan.
- **Depth of shortage-** The Plan treats shallow shortages, defined as regional shortages up to ten percent, differently than deeper shortages. In shallow shortages, reductions in Metropolitan supplies will be done on an across-the-board basis, with adjustments for conservation demand hardening. This means that severely disparate impacts at a retail level are not addressed until regional shortages are greater than ten percent. At that point, the Plan employs an allocation formula that is equitable on the wholesale level while helping to minimize impacts to the regional economy from disparate shortages at the retail level.

## Allocation Procedure

The shortage allocation formula has been developed for ten shortage levels from 5 percent to 50 percent.

Shortage Level	Shortage Percentage	Wholesale Minimum Allocation	Economic Adjustment Maximum	IAWP Reduction
1	5%	92.50%	0.00%	30%
2	10%	85.00%	0.00%	30%
3	15%	77.50%	7.50%	40%
4	20%	70.00%	10.00%	50%
5	25%	62.50%	12.50%	75%
6	30%	55.00%	15.00%	90%
7	35%	47.50%	17.50%	100%
8	40%	40.00%	20.00%	100%
9	45%	32.50%	22.50%	100%
10	50%	25.00%	25.00%	100%

### *Allocation Period*

The allocation period covers twelve consecutive months, from July of a given year through the following June. This period was selected by Metropolitan so as to minimize the impacts of varying SWP allocations. It was also selected to provide member agencies with sufficient time to implement their outreach strategies and rate modifications.

### *Setting the Regional Shortage Level*

Metropolitan staff shall be responsible for recommending a Regional Shortage Level for Board consideration. The final recommendation shall be based on water supply availability and Metropolitan water supply management actions, storage, and transfer operations that are consistent with those outlined in the WSDM Plan adopted by the Board in 1999, and the monthly status reports provided to the Water Planning and Stewardship Committee. Metropolitan's Board, through the Water Planning and Stewardship Committee, shall be responsible for approving the final Regional Shortage Level at its April meeting. By the April meeting, the majority of the winter snowfall accumulation period will have passed, and will allow staff to make an allocation based on a stable supply picture. Barring unforeseen large-scale circumstances, the shortage level will be put in place for the entire allocation period without change. This will allow a stable planning platform for the agencies.

### *Allocation Appeals Process*

An appeals process will be necessary for the administration of any changes or corrections to an agency's allocation. Metropolitan shall designate an Appeals Liaison as the official point of contact for all information and inquiries regarding appeals. Basis for appeals claims can include but are not limited to:

- Adjusting erroneous historical data used in base year calculations
- Adjusting for unforeseen loss or gain in local supply
- Adjusting for extraordinary increases in local supply

Small appeals, defined as those that would change an agency allocation by a threshold of less than 10 percent and less than 5,000 acre-feet, shall be evaluated and approved or denied by Metropolitan staff determination. For process transparency, Metropolitan staff shall provide a report to the Board of Directors on all submitted appeals, including the basis for determination of the outcome of the appeal. Member Agencies may request to forward appeals that are denied by Metropolitan staff to the Board of Directors through the Water Planning and Stewardship Committee for final resolution. For large appeals, defined as those that would change an agency allocation by a threshold of 10 percent and at least 5,000 acre-feet, Metropolitan staff shall refer the appeal to the Board of Directors through the Water Planning and Stewardship Committee for approval.

#### *Allocation Penalty Rates*

Member agency allocations shall be enforced through a penalty rate structure. The recommended penalty rate structure is an ascending block structure. This structure provides a lower penalty for minor overuse of allocations, and a higher penalty for major overuse of allocations.

### **Reliability under the Plan**

The following graphs show each Metropolitan member agency's retail reliability during a Level-2 (10%) shortage under three scenarios:

1. Adopted Allocation Formula- Using the methodology described above, Western's retail reliability is 88.3 percent
2. Across the Board Allocation- If Metropolitan were to allocate water equally to all member agencies based on the shortage level (for example, during a 10% shortage, Western's supply from Metropolitan would be reduced by 10%), Western's retail reliability would be 89.6 percent.
3. Preferential Rights Allocation- If supplies were allocated based on preferential rights, Western's retail reliability during a 10% shortage would be 78.0 percent.

