

DATE:	April 17, 2023
TO:	Honorable Mayor and Members of the City Council through City Manager
FROM:	Chelsea Thompson, Water Resources & Conservation Manager, Public Works & Utilities Christopher J Bolt, MPA, PE, CPM, ICMA-CM, Director of Public Works & Utilities
SUBJECT:	Resolution Repealing Resolutions No. 2022-130 N.C.S. (Implementation of Stage 4 of the City's Water Shortage Contingency Plan) and No. 2021-150 N.C.S. (Local Drought Emergency Proclamation) and Authorizing the City Manager to Adhere to the Implementation of the Requirements of the Governor's Executive Order N-5-23 (Drought Update Executive Order) and all Subsequent Amendments

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution repealing Resolutions No. 2022-130 N.C.S. (Implementation of Stage 4 of the City's Water Shortage Contingency Plan) and No. 2021-150 N.C.S. (Local Drought Emergency Proclamation) and authorizing the City Manager to adhere to the implementation of the requirements of the Governor's Executive Order N-5-23 (Drought Update Executive Order) and all subsequent amendments.

BACKGROUND

California experienced three consecutive years of low precipitation, and as a result, reservoir and groundwater levels were significantly below average. On April 21, 2021, Governor Newsom declared a drought emergency for Sonoma and Mendocino Counties. On April 27, 2021, the Sonoma County Board of Supervisors adopted a Resolution Proclaiming a Local Emergency Due to Drought Conditions in the Sonoma County Operational Area and Requesting the Governor to Seek a Presidential Declaration.

The City's primary source of water supply is from the Sonoma County Water Agency (Sonoma Water), which delivers imported water from the Russian River and from groundwater wells in Santa Rosa to the City of Petaluma, as well as to Sonoma Water's other municipal water contractors. Sonoma Water has two water storage reservoirs: Lake Mendocino and Lake Sonoma. Since May 2021, Sonoma Water filed four Temporary Urgency Change Petitions with the State

Water Resources Control Board (State Water Board) requesting a reduction of releases from Lake Mendocino and Lake Sonoma to preserve critical water supply storage. The State Water Board issued Sonoma Water four Temporary Urgency Change Orders (TUCO), which included a required reduction in diversions from the Russian River by 20% over 2020.

Due to the TUCO conditions, Sonoma Water required all water contractors including the City of Petaluma to meet a mandatory 20% reduction in water use from July 1 through October 31, over 2020 water use, in both 2021 and 2022. The water use reductions required to meet the TUCO conditions were determined based on the water shortage allocation methodology defined in the Restructured Agreement for Water Supply.

On May 3, 2021, in response to water shortage conditions in our region, the City Council adopted Resolution No. 2021-063 N.C.S. authorizing the City Manager to implement the City's 2015 Water Shortage Contingency Plan (WSCP), Stage 1, within the area served by the City of Petaluma public water system. To meet the mandatory water use reductions set by Sonoma Water, the City Council adopted Resolution No. 2021-103 N.C.S. on June 21, 2021, implementing Stage 3 of the City's 2020 WSCP with a mandatory 25% citywide reduction in water use. Due to continued drought conditions and further reduced water supply, on September 13, 2021, the City Council adopted Resolution No. 2021-150 N.C.S. proclaiming a local drought emergency and adopted Resolution No. 2021-151 N.C.S. implementing Stage 4 of the City's WSCP with a mandatory 30% reduction in citywide water use.

Due to community feedback about the City's 2020 WSCP Stage 4 water use restrictions, the City Council adopted an Amended 2020 WSCP, which included changes suggested by the community and adopted Resolution No. 2022-130 N.C.S. on August 1, 2022, which implemented Stage 4 of the newly Amended 2020 WSCP. Between June 21, 2021 and September 13, 2021, the City required a 25% reduction in citywide water use, and between September 13, 2021 through present day, the City has required a 30% reduction in citywide water use. Between July 2021 through December 2022, Petaluma reduced water use by 26% compared to 2020 usage, saving nearly 1 billion gallons of water (991 million gallons of water saved).

On March 28, 2022, Governor Newsom issued Executive Order N-7-22, ordering the State Water Board to consider adopting emergency regulations including a requirement that each urban water supplier that has submitted a water shortage contingency plan to the Department of Water Resources implement, at minimum, the shortage response actions adopted under section 10632 of the Water Code for a shortage level of up to 20% (Level 2).

Beginning December 2022, our water supply region received substantial rainfall via a series of atmospheric rivers. Thanks to recent rain events, the water supply reservoirs, Lakes Sonoma and Mendocino, have recovered after reaching historically low levels following three years of severe drought. At the February 6, 2023, Sonoma Water WAC (Water Advisory Committee) meeting, Sonoma Water staff announced that Lake Mendocino and Lake Sonoma will be operated under normal water year conditions in accordance with the existing TUCO and that no water shortage conditions are anticipated this year.

Recently, on March 23, 2023, the Governor's Executive Order N-5-23 revoked many of the drought emergency requirements that were put into place through a series of Proclamations and Executive Orders over the last several years of drought. This recent action revoked the requirement for water suppliers to implement shortage response actions for a shortage level of up to 20% (Level 2). On April 18, 2023, the Sonoma County Board of Supervisors will meet to consider a staff recommendation to discontinue the Local Drought Emergency Proclamation adopted on April 27, 2021.

DISCUSSION

The City has been implementing a mandatory stage of its WSCP since June 2021. In addition to the implementation of the WSCP with mandatory water use restrictions, the City used local groundwater in July through October of 2021 and 2022 to augment the reduced water supply from Sonoma Water. Between 10%-20% of June through October water demand in 2021 and 2022 was from local Petaluma groundwater production. Although the City does not use local groundwater wells for water supply unless experiencing water shortage conditions, the City's local groundwater wells recovered to pre-pumping elevations after two years of being run continuously between the months of July through October.

The City is currently implementing Stage 4 of the Amended 2020 WSCP, which requires a 30% citywide reduction in water use compared to 2020, and includes the following restrictions on potable water use:

- Outdoor watering is allowed on Tuesday and Saturday only from 7:00 p.m. to 8:00 a.m.
- Planting restrictions:
 - Moratorium on installation on high-water use turf.
 - Commercial, Industrial, and Institutional water customers are not allowed to plant or replant.
 - New development allowed to plant between November 1 and April 30 only.
- No application of potable water to sidewalks, driveways, buildings, structures, patios, parking lots, or other hard surfaced areas, except in cases where health and safety are at risk.
- No vehicle washing at home commercial car washes only.
- No operating non-recirculating ornamental water fountains and water features, including decorative lakes and ponds.
- No irrigating turf on public medians.
- Moratorium on the issuance of permits for new pools and spas.
- Irrigation of Schools, Parks, and City-maintained landscapes is limited to Monday and Thursday only between 7 p.m. to 8 a.m.
- Homeowner's Associations are prohibited from penalizing homeowners who reduce or eliminate the watering of vegetation or lawns during a declared drought emergency, and from requiring a homeowner to reverse or remove water-efficient landscaping that has been installed in response to a drought emergency once a drought emergency is concluded.
- Water served in restaurants by request only.
- Operators of hotels and motels provide guests with the option of choosing to have towels and linens laundered daily.

- Street sweepers must use recycled water for street cleaning.
- Recycled water must be used for dust control when available.
- The number of recycled water haulers permitted to use recycled water for purposes other than construction to be determined by the City Manager.
- Potable water meters for construction limited to use for water line hydrostatic testing and chlorination. Water meters for construction will be evaluated on a case-by-case basis.
- Current potable water hauler accounts will not be allowed to haul more than current allocation, and load accounts will be monitored for monthly usage.

Thanks to recent rain events, the water supply reservoirs, Lakes Sonoma and Mendocino, have recovered, thereby eliminating the need for Sonoma Water to reduce water contractor allocations. Additionally, the Governor's recent Executive Order N-5-23 revoked several requirements that were put into place over the last few years in response to prolonged drought conditions in California, including the requirement for water suppliers such as the City of Petaluma to implement water shortage response actions for a shortage level of up to 20%.

The Governor's March 24, 2023, Executive Order rolled back numerous drought related restrictions, including the following, which pertain to the City of Petaluma:

- Ends the voluntary 15% water conservation target, while continues to encourage that Californians make conservation a way of life;
- Ends the requirement that local water agencies implement level 2 of their drought contingency plans;
- Maintains the ban on wasteful water uses, such as watering ornamental grass on commercial properties;
- Retains a state of emergency for all 58 counties to allow for drought response and recovery efforts to continue.

Given the water supply outlook for Petaluma's water supply from Sonoma Water, and to achieve the minimum State Water Board requirements, it is recommended that City Council repeals Resolution No. 2022-130 N.C.S. which implemented Stage 4 of the Amended 2020 WSCP; repeals Resolution No. 2021-150 N.C.S., which proclaimed a local drought emergency; and authorize the City Manager to adhere to the implementation of the requirements of the Governor's Executive Order N-5-23 and all subsequent amendments.

Following the recommendation to repeal Stage 4 of the Amended 2020 WSCP, all potable water use restrictions associated with Stage 4 will be lifted and the City will continue to message and enforce the year-round water waste prohibitions listed in Petaluma Municipal Code Chapter 15.17.070. During the recent drought, the City worked with Recology to permit street sweepers to use recycled water for street cleaning, which was a requirement of the WSCP that will continue into the future even during normal water years.

The City has the authority to enforce and message about any additional requirements of the Governor's Executive Order N-5-23 that are not covered by PMC Chapter 15.17.070, such as the following ban on wasteful water uses:

- Prohibition on watering of ornamental grass on commercial properties
- Prohibition on Homeowner's Associations from penalizing residents who reduce water use and/or install drought tolerant landscape, even post-drought.

Recurring water shortages due to drought are a way of life in California. To achieve long-term, sustained reduction in water use and to build our local water supplies, City staff will continue year-round water conservation messaging and programming, in addition to planning for local water supply resiliency through projects that build our local water supply abundance and reliability.

PUBLIC OUTREACH

This agenda item appeared on the City's tentative agenda document on April 3, 2023, which was a publicly noticed meeting.

The City of Petaluma has been informing water customers of water use restrictions with a robust outreach program to encourage and educate our residents about water conservation. Staff continues to implement the following outreach campaign:

- Outreach to high water users
- Website with current water use restrictions and water conservation program information
- Direct mailers to water customers
- Social media (Facebook and Instagram) postings
- Newspaper Ads
- Utility Bill Inserts
- Public outreach events
- Sonoma-Marin Saving Water Partnership Advertising (Radio, website, newspaper, social)
- Water waste patrols

With the revocation of the WSCP, the City will update the public outreach program to inform City water users of the end of the drought emergency and importance of making water conservation a way of life in Petaluma. Water customers can find up-to-date information on the City of Petaluma's water use restrictions and water conservation program at https://cityofpetaluma.org/water-conservation a conservation a water conservation program at https://cityofpetaluma.org/water-conservation and water conservation program at <a hre

COUNCIL GOAL ALIGNMENT

The City Council has identified "Our Environmental Legacy" as one of its key strategic initiatives for 2019-2021. This recommended action supports:

- Workplan Item #42 "Find ways for the City operations to reduce greenhouse gas emissions, conserve water, decrease waste, and minimize use of fossil fuels and investigate and pursue options for carbon sequestration."
- Workplan Item #70 "Continue focus on water conservation and urban recycled water expansion."
- Workplan Item #81 "Promote emergency preparedness and resiliency strategies to our residents and businesses."

CLIMATE ACTION/SUSTAINABILITY EFFORTS

The Climate Crisis will bring about more extreme weather in the coming years. For the North Bay and Sonoma County, it is projected that there will be an increase in intense rainfall events during the wet months from atmospheric rivers and projected increased drought conditions in the summer, and all with a greater variability in these events year to year.

The WSCP is a major component of the City's Urban Water Management Plan, which is a water supply and demand planning document that addresses short-term and long-term water planning under a wide range of conditions including water shortages due to climate change. Continued water conservation efforts and urban water supply planning will increase the City's water supply reliability by reducing the use of limited surface water supply and by expanding the City's local water supply. Water conservation will also reduce use of energy to pump, process, and treat water and wastewater.

The WSCP provides the City with a strategic plan in preparation for and response to water shortages, including the water shortage stages and associated actions that will be implemented in the event of a water supply shortage.

ENVIRONMENTAL REVIEW

This action of rescinding Resolutions No. 2022-130 N.C.S. (Implementation of Stage 4 of the City's Water Shortage Contingency Plan) and No. 2021-150 N.C.S. (Local Drought Emergency Proclamation) was already analyzed under the California Environmental Quality Act (CEQA) when City Council adopted the WSCP and the two resolutions. Moreover, recission of the Resolutions is not a "project" under CEQA as it is an administrative task pursuant to CEQA Guidelines Section 15378.

FINANCIAL IMPACTS

If the City rescinds implementation of Stage 4 of the City of Petaluma WSCP it is expected that Water Enterprise Fund sales revenue will gradually rebound to pre-drought levels, depending on customer water use.

The upcoming 2023 utility rate study will provide an updated analysis of impacts of a prolonged drought on the water and wastewater utilities and an optional rate structure to consider for use in the event of a prolonged drought.

ALTERNATIVES

The alternative to not repealing the WSCP and the local drought emergency proclamation would be to continue to implement the WSCP, including the water use restrictions associated with Stage 4.

It is not recommended to continue to implement the WSCP. The WSCP and the local drought emergency proclamation are intended to be implemented in response to water shortage emergencies. The City of Petaluma is not currently experiencing a water shortage.

ATTACHMENTS

1. Resolution