



March 24, 2015

TO: LOCSO Board of Directors
FROM: Robert Miller, District Engineer
SUBJECT: **Agenda Item 12A – 4/2/2015 Board Meeting**
Amendments to Water Shortage Contingency Plan and
Declaration of Stage III Emergency

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R. Michael Wright

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DESCRIPTION

The purpose of this agenda item is to amend the adopted Water Shortage Contingency Plan and declare a Stage III Emergency.

STAFF RECOMMENDATION:

Staff recommends that the Board adopt the following motion:

Motion: I move that the Board adopt Resolution 2015-10 amending the District's Water Shortage Contingency Plan and declaring a Stage III Emergency.

BACKGROUND AND DISCUSSION

At the March, 2015 meeting, the Board provided feedback to staff regarding the adoption of a Stage III Water Shortage Emergency declaration based on the climate trigger and rainfall of less than 43" in the last 3 years. The Board also requested amendments to the Water Shortage Contingency Plan as follows:

1. Establish an allocation per occupant for residential and multifamily uses as follows. The previous plan assumed 3 occupants per household, resulting in excessive allocations for households with one or two occupants.
 - a. Stage III – 50 gallons per day per occupant
 - b. Stage IV – 45 gallons per day per occupant
 - c. Stage V – 42 gallons per day per occupant
2. Remove the landscape prohibition from Stages III and IV to provide residential customers flexibility in the use of water. Customers are still expected to remain below their allocation for total water use, including both indoor and outdoor.

The attached resolution also provides for clear notice to District customers and provides a grace period of one two-month billing cycle before penalties are assessed for non-compliance.

FINANCIAL IMPACT

Staff anticipates a reduction in water sales in response to the Stage III declaration, along with a reduction in revenue. Staff plans to review water demand and revenues for two (2) successive billing cycles (4 months) and bring the issue back to the Board for review. In the event of a revenue shortfall, the issue may be partially or entirely offset by penalties. If necessary, emergency water rates can be enacted as previously approved in compliance with Proposition 218.

RESOLUTION NO. 2015-10

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
AMENDING THE DISTRICT'S WATER SHORTAGE CONTINGENCY PLAN
AND DECLARING A STAGE III EMERGENCY**

WHEREAS, the Los Osos Community Services District ("District") became effective January 1, 1999, pursuant to an election and Resolution No 98-239 of the Board of Supervisors of the County of San Luis Obispo, and under the authority of the Cortese-Knox Local Government Reorganization Act of 1985 (Government Code §56000 et seq.); and

WHEREAS, in September, 2014, the District adopted a Water Shortage Contingency Plan for the District's water service area that identified voluntary and mandatory water use restrictions and shortage stages I-V designed to reduce water demand in response to drought or other water quality or supply deficiencies.

WHEREAS, the purpose of this resolution is to declare a Stage III Water Shortage Emergency within the Los Osos Community Services District Water Service Area based on the climate trigger of less than 43" of total cumulative rainfall over the course of 3 years pursuant to the guidelines within the adopted Water Shortage Contingency Plan.

WHEREAS, the Board of Directors desires to modify the adopted Water Shortage Contingency Plan to establish a daily water volume allocation for each residential occupant within the District, in place of the previously-adopted allocation which assumes a minimum household size of 3 persons.

WHEREAS, the Board of Directors has elected to provide flexibility in the use of water within a residential customer's allocation by removing the prohibition on outdoor irrigation.

WHEREAS, the public hearing for adopting this Resolution has been properly noticed pursuant to Government Code §54954.2 (The Brown Act).

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED, by the Board of Directors of the District as follows:

1. The above recitals are true and correct.
2. The Water Shortage Contingency Plan is hereby modified to establish an allocation per occupant for residential and multifamily uses as follows:
 - a. Stage III – 50 gallons per day per occupant
 - b. Stage IV – 45 gallons per day per occupant
 - c. Stage V – 42 gallons per day per occupant
3. The Water Shortage Contingency Plan is hereby modified to remove the prohibition on the use of potable water to irrigate landscaping from Stages III and IV.
4. The District General Manager shall provide all customers with a written notice of the Stage III Emergency, including a description of the allowable water use per occupant and penalties for non-compliance. Customers shall have a minimum of a full water billing cycle prior to the enforcement of penalties.
5. All Ordinances, Resolutions and sections of Ordinances and Resolutions that are inconsistent with this Resolution are hereby repealed.

6. The Board of Directors of the District finds that the Stage III Water Shortage Emergency adopted by this Resolution is exempt from the California Environmental Quality Act pursuant to Public Resources Code § 21080(b)(8) and CEQA Guidelines Section 15273. The District General Manager is directed to prepare and file appropriate notices.

7. If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be unconstitutional, ineffective or in any manner in conflict with the laws of the United States, or the State of California, such decision shall not affect the validity of the remaining portions of this Resolution. The Governing Board of the District hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional, ineffective, or in any manner in conflict with the laws of the United States or the State of California.

Upon the motion of Director _____, seconded by Director _____
and on the following roll call vote:

AYES: _____
 NOES: _____
 ABSENT: _____
 ABSTAIN: _____

The following Resolution is hereby passed, approved and adopted by the Board of Directors of the Los Osos Community Services District on the 2nd day of April 2015.

 R. Michael Wright
 President, Board of Directors
 Los Osos Community Services District

ATTEST:

APPROVED AS TO FORM:

 Kathy A. Kivley
 General Manager and Secretary to the Board

 Michael W. Seitz
 District Legal Counsel