



Agenda Item No. _____

File Code No. _____

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

Item 7

AGENDA DATE: October 20, 2015

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Stage Three Drought Update

RECOMMENDATION:

That Council receive an update on the status of the current drought, drought-response capital projects, and continuing conservation efforts.

DISCUSSION:

On February 11, 2014, Council declared a Stage One Drought Condition and set a goal to reduce customer water use by 20 percent. Council requested that staff provide a monthly status update on the City's water supplies, conservation efforts, and current work efforts. On May 20, 2014, Council declared a Stage Two Drought Condition in response to a third consecutive year of below-average rainfall, and the critical need to achieve a 20 percent reduction in water usage. On May 5, 2015, in response to the driest consecutive four-year period on record, Council declared a Stage Three Drought Emergency, increased the community's water conservation target to 25 percent, and adopted additional water use regulations by resolution on May 12, 2015.

This report will cover the following items:

- Water Supply Outlook/Weather Forecast
- Drought Response Capital Projects
- Conservation Efforts
- Revenue Impacts

Water Supply Outlook

Rainfall for the last four years has averaged less than half of the long-term average. Consistent with the City's Long Term Water Supply Plan (LTWSP), depleted surface water supplies have been replaced with increased groundwater production and purchases of supplemental water. This strategy has been successful in securing supplies sufficient to meet demand for the 2015 and 2016 water years, assuming there is a 25 percent reduction in customer water use. In order to ensure adequate supplies to

meet demand, supply projections must recognize the potential for the current dry weather pattern to continue. Accordingly, staff's supply projections through 2016 assume no significant deliveries from Gibraltar Reservoir, no additional Lake Cachuma entitlement, and insufficient rainfall in Northern California to allow for dependable supplemental water purchases or state water deliveries. By 2017, the primary remaining potable supply would be groundwater, which has a limited production capacity, and the City's Charles E. Meyer Desalination Plant (Desalination Plant), which is scheduled to be reactivated by fall 2016.

Recent weather forecasts support an increased potential for strong El Niño conditions this winter. Such conditions are often associated with significant rainfall. However, there have also been years with strong El Niño conditions that have produced drier than average years. Given the unpredictable nature of El Niño events, this phenomenon cannot be counted on to improve the City's water supply and the City is planning for continued dry conditions.

Drought Response Capital Projects

The rehabilitation of the City's Recycled Water Treatment Plant (RWT Plant) is scheduled to start-up in late October 2015. Recycled water customers will continue to be asked to reduce their water usage until the RWT Plant is in service. Staff will be contacting all recycled water customers when the new RWT Plant is officially back online.

During the week of September 21, 2015, on-site work officially began to reactivate the Desalination Plant. The current plant reactivation will produce 3,125 acre feet annually for City water customers, which is approximately 30 percent of our current demand. Start-up of the Desalination Plant is scheduled for late September 2016, with a contract completion date of October 7, 2016.

Conservation Efforts

The City's water customers continue to meet and exceed both the City's and the State's conservation targets with extraordinary conservation measures. Under the State's current regulations, adopted in May 2015, mandated water use reductions for urban water suppliers range from 4 to 36 percent, depending on residential per-capita water use. For Santa Barbara, the state-mandated water use reduction is 12 percent below 2013 water usage, based on our summer 2014 residential water use of 79.6 gallons per person per day. However, the severity of the drought's impact on City water supplies will require a citywide 25 percent reduction target to ensure adequate supplies for the 2016 water year.

The City's water conservation numbers for September 2015 show a reduction of XX percent compared to 2013 water demands. Santa Barbara has been one of the few water providers statewide that has consistently met and exceeded the state's water use reduction targets and mandated conservation standard since the drought was declared.

With the Stage Three Drought declaration and the need for a 25 percent reduction, the Water Conservation Program has continued its enhanced public information campaign of targeted outreach to specific user types, including:

- increased weekly messaging through social media, online news outlets, and industry contacts;
- presentations to community and industry groups;
- additional printed materials with drought messaging;
- targeted utility bill messaging;
- drought signage throughout the City; and
- additional training and workshops.

Revenue Impacts

Water revenues for Fiscal Year 2016, which includes August and September , shows revenues are down 14 percent from projected or approximately \$1.2M. Given the revenue shortfall, staff has been looking for oppotunites to reduce expenditures. Staff will continue to monitor revenues and update Council on changes.

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APPROVED BY: City Administrator's Office