EXHIBIT 2-A DRAFT

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2022-

TO ADOPT AN EMERGENCY REGULATION TO REDUCE WATER DEMAND AND IMPROVE WATER CONSERVATION

WHEREAS:

- 1. On April 21, May 10, July 8, and October 19, 2021, Governor Newsom issued proclamations that a state of emergency exists statewide due to severe drought conditions and directed state agencies to take immediate action to preserve critical water supplies and mitigate the effects of drought and ensure the protection of health, safety, and the environment.
- 2. These proclamations urge Californians to reduce their water use.
- 3. On March 28, 2022, Governor Newsom signed an Executive Order directing the State Water Resources Control Board (State Water Board or Board) to consider adopting emergency regulations to increase water conservation. The Executive Order includes a request that the Board require urban water suppliers to implement Level 2 of their water shortage contingency plans, establish water shortage response actions for urban water suppliers that have not submitted water shortage contingency plans, taking into consideration model actions that the Department of Water Resources, and establish a ban on the irrigation of non-functional turf by entities in the commercial, industrial, and institutional sectors.
- 4. Many Californians and urban water suppliers have taken bold steps over the years to reduce water use; nevertheless, the severity of the current drought requires additional conservation actions from urban water suppliers, residents, and the commercial, industrial, and institutional sectors.
- 5. Water conservation is the easiest, most efficient, and most cost-effective way to quickly reduce water demand and extend limited water supplies through this summer and into the next year, providing flexibility for all California communities. Water saved is water available next year, giving water suppliers added flexibility to manage their systems effectively over time. The more water that is conserved now, the less likely it is that a community will experience dire shortages that may require water rationing or other emergency actions.
- 6. Most Californians use more water outdoors than indoors. In many areas, 50 percent or more of daily water use is for irrigation of lawns and outdoor landscaping irrigation. Outdoor water use is generally discretionary, and many irrigated landscapes would not suffer greatly from receiving a decreased amount of water.

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- 7. The use of potable water to irrigate turf on commercial, industrial, or institutional properties that is not regularly used for human recreational purposes or for civic or community events can be reduced in commercial, industrial, and institutional areas to protect local water resources and enhance water resiliency.
- 8. Public information and awareness are critical to achieving conservation goals, and the Save Our Water campaign (<u>SaveOurWater.com</u>), run jointly by the Department of Water Resources (DWR) and the Association of California Water Agencies, is an excellent resource for conservation information and messaging that is integral to effective drought response.
- 9. <u>SaveWater.CA.Gov</u> is an online tool designed to help save water in communities. This website lets anyone easily report water waste from their phone, tablet, or computer by simply selecting the type of water waste they see, typing in the address where the waste is occurring, and clicking send. These reports are filed directly with the State Water Board and relevant local water supplier.
- 10. Enforcement against water waste is a key tool in conservation programs. When conservation becomes a social norm in a community, the need for enforcement is reduced or eliminated.
- 11. On March 28, 2022, the Governor suspended the environmental review required by the California Environmental Quality Act to allow State Water Board-adopted drought conservation emergency regulations and other actions to take place quickly to respond to emergency conditions.
- 12. Water Code section 1058.5 grants the State Water Board the authority to adopt emergency regulations in certain drought years in order to: "prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports."
- 13. On May 13, 2022, the State Water Board issued public notice that it will consider the adoption of the regulation at the Board's regularly scheduled May 24, 2022 public meeting, in accordance with applicable State laws and regulations. The State Water Board also distributed for public review and comment a Finding of Emergency that complies with State laws and regulations.
- 14. The emergency regulation exempts suppliers from enforcing connection moratoria, if their Level 2 demand management actions call for them, because new residential connections are critical to addressing the state's housing supply shortage. However, the Board recognizes connections for other projects may not be appropriate given the shortage conditions and urges water suppliers to carefully evaluate new development projects for their water use impacts.

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- 15. Disadvantaged communities may require assistance responding to Level 2 conservation requirements, including irrigation restrictions, temporary changes to rate structures, and prohibited water uses. State shortage contingency plans aimed at increasing water conservation, and state and local agencies should look for opportunities to provide assistance in promoting water conservation. This assistance should include but not be limited to translation of regulation text and dissemination of water conservation announcements into languages spoken by at least 10 percent of the people who reside in a water supplier's service area, such as in newspaper advertisements, bill inserts, website homepage, social media, and notices in public libraries.
- 16. The Board directs staff to consider the following in pursuing any enforcement of section 996, subdivision (e): before imposing monetary penalties, staff shall provide one or more warnings; monetary penalties must be based on an ability to pay determination, consider allowing a payment plan of at least 12 months, and shall not result in a tax lien; and Board enforcement shall not result in shutoff.
- 17. The Board encourages entities other than Board staff that consider any enforcement of this regulation to apply these same factors identified in resolved paragraph 16. Nothing in the regulation or in the enforcement provisions of the regulation precludes a local agency from exercising its authority to adopt more stringent conservation measures. Moreover, the Water Code does not impose a mandatory penalty for violations of the regulation adopted by this resolution, and local agencies retain their enforcement discretion in enforcing the regulation, to the extent authorized, and may develop their own progressive enforcement practices to encourage conservation.

THEREFORE BE IT RESOLVED THAT:

- 1. The State Water Board adopts California Code of Regulations, title 23, section 996, as appended to this resolution as an emergency regulation that applies to urban water suppliers, as defined by Water Code section 10617.
- 2. State Water Board staff shall submit the regulation to the Office of Administrative Law (OAL) for final approval.
- 3. If, during the approval process, State Water Board staff, the State Water Board, or OAL determines that minor corrections to the language of the regulation or supporting documentation are needed for clarity or consistency, the State Water Board Executive Director or designee may make such changes.

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- 4. This regulation shall remain in effect for one year after filing with the Secretary of State unless the State Water Board determines that it is no longer necessary due to changed conditions or unless the State Water Board renews the regulation due to continued drought conditions, as described in Water Code section 1058.5.
- 5. The State Water Board directs State Water Board staff to work with the Department of Water Resources and the Save Our Water campaign to disseminate information regarding the emergency regulation.
- 6. The State Water Board directs staff to allow urban water suppliers to include information on efforts to maintain trees through the monthly conservation reporting form that urban water suppliers submit to the Board.
- 7. Nothing in the regulation or in the enforcement provisions of the regulation precludes a local agency from exercising its authority to adopt more stringent conservation measures. Local agencies are encouraged to develop their own progressive enforcement practices to promote conservation.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on May 24, 2022.

Jeanine Townsend Clerk to the Board

PROPOSED EMERGENCY REGULATION TEXT

Version: May 13, 2022

Title 23. Waters

Division 3. State Water Resources Control Board and Regional Water Quality Control Boards

Chapter 3.5. Urban Water Use Efficiency and Conservation

Article 2. Prevention of Drought Wasteful Water Uses

§ 996. Urban Drought Response Actions

- (a) As used in this section:
 - (1) "Commercial, industrial and institutional" refers to commercial water users, industrial water users, and institutional water users as respectively defined in Water Code, section 10608.12, subdivisions (e), (i), and (j), and includes homeowners' associations, common interest developments, community service organizations, and other similar entities but does not include the residences of these entities' members or separate interests.
 - (2) "Common interest development" has the same meaning as in section 4100 of the Civil Code.
 - (3) "Community service organization or similar entity" has the same meaning as in section 4110 of the Civil Code.
 - (4) "Homeowners' association" means an "association" as defined in section 4080 of the Civil Code.
 - (5) "Non-functional turf" means turf that is solely ornamental and not regularly used for human recreational purposes or for civic or community events. Non-functional turf does not include sports fields and turf that is regularly used for human recreational purposes or for civic or community events.
 - (6) "Separate interest" has the same meaning as in section 4185 of the Civil Code.
 - (7) "Turf" has the same meaning as in section 491.
 - (8) "Urban water supplier" has the same meaning as Water Code section 10617.
 - (9) "Water shortage contingency plan" means the plan required by Water Code section 10632.

- (b) Each urban water supplier shall submit to the Department of Water Resources a preliminary annual water supply and demand assessment consistent with section 10632.1 of the Water Code no later than June 1, 2022, and submit a final annual water supply and demand assessment to the Department of Water Resources no later than the deadline set by section 10632.1 of the Water Code.
- (c) (1) Each urban water supplier that has submitted a water shortage contingency plan to the Department of Water Resources shall implement by June 10, 2022, at a minimum, the demand reduction actions identified in the supplier's water shortage contingency plan adopted under Water Code 10632 for a shortage level of ten to twenty percent (Level 2).
 - (2) Notwithstanding subdivision (1), urban water suppliers shall not be required to implement new residential connection moratoria pursuant to this section.
- Each urban water supplier that has not submitted a water shortage contingency plan to the Department of Water Resources shall, by June 10, 2022, and continuing until the supplier has implemented the demand reduction actions identified in the supplier's water shortage contingency plan adopted under Water Code 10632 for a shortage level of ten to twenty percent (Level 2), implement at a minimum the following actions:
 - (1) Initiate a public information and outreach campaign for water conservation and promptly and effectively reach the supplier's customers, using efforts such as email, paper mail, bill inserts, customer app notifications, news articles, websites, community events, radio and television, billboards, and social media.
 - (2) Implement and enforce a rule or ordinance limiting landscape irrigation to no more than two days per week and prohibiting landscape irrigation between the hours of 10:00 a,m. and 6:00 p.m.
 - (3) Implement and enforce a rule or ordinance banning, at a minimum, the water uses prohibited by section 995. Adoption of a rule or ordinance is not required if the supplier has authority to enforce, as infractions, the prohibitions in section 995 and takes enforcement against violations.
- (e) (1) To prevent the unreasonable use of water and to promote water conservation, the use of potable water is prohibited for the irrigation of non-functional turf at commercial, industrial, and institutional sites.
 - (2) Notwithstanding subdivision (e)(1), the use of water is not prohibited by this section to the extent necessary to ensure the health of trees and other perennial non-turf plantings or to the extent necessary to address an immediate health and safety need.

- (f) The taking of any action prohibited in subdivision (e) is an infraction punishable by a fine of up to five hundred dollars (\$500) for each day in which the violation occurs. The fine for the infraction is in addition to, and does not supersede or limit, any other remedies, civil or criminal.
- (g) A decision or order issued under this section by the Board, or an officer or employee of the Board, is subject to reconsideration under article 2 (commencing with section 1122) of chapter 4 of part 1 of division 2 of the Water Code.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 4080, 4100, 4110, and 4185, Civil Code; Section 8627.7, Government Code; Sections 102, 104, 105, 275, 350, 491, 1122, 10608.12, 10617, 10632, and 10632.1, Water Code; Light v. State Water Resources Control Board (2014) 226 Cal.App.4th 1463; Stanford Vina Ranch Irrigation Co. v. State of California (2020) 50 Cal.App.5th 976.