

## CALIFORNIA AT A WATER CROSSROADS

California has launched a series of water conservation programs. Initially, the public agencies responsible for ensuring water supplies were cautious in their response to the signs of a growing water crisis, perhaps fearing a political backlash from Californians who expect to be able to access free flowing water with the turn of a nozzle, without any sort of limitations. Adding a reservoir, drilling a few more wells or cutting deals with farmers to transfer some of their water to nearby cities has helped soften the effects of the state's growing water shortage. However, the situation is becoming sufficiently dire so that some water agencies are becoming more proactive to give the public a glimpse of the future for water supplies.

Earlier this year, the Metropolitan Water District of Southern California (MWD), the largest water agency in the region and the principal supplier to the cities of Los Angeles, San Diego and numerous others in between, officially notified its member agencies of its intention to implement a 30% reduction in deliveries of 2008 agricultural water supplies to agricultural customers. In other words, farmers will have less water for their crops and to ultimately sell to their cities' customers. The action was in response to a record low rainfall in Southern California, continued drought conditions throughout the southwestern United States, and the recent federal court ruling to limit pumping water from the state's San Joaquin-Sacramento River Delta to protect a species of fish.

In addition, the MWD also adopted a contingency plan that could result in similar cutbacks to urban consumers and rate hikes of up to 20%. Local water agencies, including the Los Angeles Department of Water and Power, have followed suit, beginning with voluntary conservation programs but warning of mandatory conservation to come. Some agencies have passed the need to reduce consumption directly to the agricultural growers. Others pumped from limited local groundwater sources to continue deliveries to customers. Almost all agencies are urging conservation and changes in water use practices, including new restrictions on lawn watering. It is expected that every part of the state will begin to think seriously and creatively about water supply.

Ultimately, water rates and charges will need to increase in order to meet these increasing costs. At its March 2008 meeting, MWD's Board approved a 14 percent increase in overall rates and charges effective January 1, 2009. Under the new 2009 rate schedule, the Interim Agricultural Water Program's rates for treated and untreated water will rise to \$440 (12 percent increase) and \$297 (14 percent increase) per acre respectively, plus the \$25/AF surcharge on all water sales. It will not be long before we may see all municipalities adopt a water rate structure that will be more costly for customers who use more water.

U.S. Senator Dianne Feinstein and Governor Schwarzenegger have both acknowledged our record dry weather conditions throughout the state, which has accentuated the urgent need for long-term water solutions in California. In March, Governor Schwarzenegger proposed a 20 percent reduction in per capita water use by 2020. In response, at least six bills are now before Congress authorizing one or more temporary changes in existing water policy to alleviate drought impacts, as well as long-term drought planning, water transfer provisions, water pricing, and flows for in-stream uses. While most of the bills emphasize short run provisions, a number of long-term institutional changes are proposed. Assembly Bill 2175, the Water Efficiency and Security Act, increases water use efficiency for new developments and contains global warming reduction measures. AB 2175 would require the state to conserve 3 million acre-feet of water by 2030. The legislation is supported by conservation organizations, including the Sierra Club, Desal Response Group and the Environmental Justice Coalition for Water.

The situation is so dire that Senator Feinstein and Governor Schwarzenegger have proposed a compromise plan to the Legislature to update California's water system by increasing storage, improving conveyance, protecting the Delta's ecosystem and promoting greater water conservation. "There is an urgent need for comprehensive water reform, and this bipartisan plan is offered as a potential compromise that puts us on the path toward restoring the Sacramento-San Joaquin Delta, expanding water supplies and promoting conservation efforts that will ensure a clean, reliable water supply for California," Governor Schwarzenegger said. In June, the Governor issued an executive order declaring a statewide drought, which directed his state agencies and departments to take immediate action to address the serious drought conditions and water delivery reductions that exist in California. He also proclaimed a state of emergency in nine Central Valley counties to address urgent water needs: Sacramento, San Joaquin, Stanislaus, Merced, Madera, Fresno, Kings, Tulare and Kern. Governor Schwarzenegger's recent executive order certifying that California is in a drought and directing state agencies to start thinking

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## CALIFORNIA AT A WATER CROSSROADS (CONTINUED)

about what to do is only the latest sign that a way of life built on inexpensive and readily available water is coming to a close. For much of the state, June was the driest month on record, according to the National Climatic Data Center. The continuing water crisis raises the question of whether we are approaching the limits of growth in California. For that last century, it appeared there was no limit. Now we may be at a turning point, especially in Southern California.

California is approaching a crossroad in water supplies. Without a plan of action by state and local governments, coupled with across-the-board changes in how we consume, major sectors of the state's economy such as agriculture and real estate development would soon face previously unimagined restrictions. Real estate development is already feeling the pressure of state laws that took effect six years ago requiring water agencies to document sufficient long-term water supplies to support large developments. If the water agencies cannot, then they must block the developments. Additionally, dozens of planned developments throughout Southern California already have been delayed or abandoned because of uncertainty about long-term water supplies. Beginning with the MWD's reduction in water supplies, agencies throughout the state are pressing farmers to cut their water consumption by not growing water-intensive crops, investing in more efficient irrigation systems and even taking land out of agricultural use altogether.

The entire economy ultimately will be affected by the water crisis. Yet it is unrealistic to expect that California's population and economy will stop growing. Accommodating that growth will require major commitments to reducing water consumption and increasing supply. The least expensive and easiest way to increase water supplies is conservation. Even small increases in the efficiency of agriculture's use of water can produce huge savings. Cutting back landscape irrigation, which accounts for more than half of urban and suburban consumption, is another alternative, as is treating and recycling water. We all have a part to play in our quest to prevent drought from devastating California. Making the most of water conservation, preventing pollution and appreciating the long-term benefits of stored supplies are integral actions to achieving water independence during dry times to come. ♦

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