



- **Board of Directors**
Water Planning and Stewardship Committee

12/13/2022 Board Meeting

7-13

Subject

Adopt resolution reaffirming the Regional Drought Emergency for all member agencies and calling on all member agencies to reduce the use of State Water Project and Colorado River supplies; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

Metropolitan must prepare for potential limitations to its core supplies from both the State Water Project (SWP) and the Colorado River in 2023. These limitations highlight the need for heightened conservation and local supply production. Accordingly, this letter recommends that the Board adopt a resolution reaffirming the Regional Drought Emergency first declared in November 2021. The resolution calls upon all member agencies to immediately enhance and intensify conservation actions to reduce the usage of Metropolitan's imported water supplies from the SWP and the Colorado River. The resolution also calls for Metropolitan to aggressively pursue water transfer and exchange opportunities to help alleviate the current supply constraints.

With low SWP supplies initially available for 2023, the Emergency Water Conservation Program (EWCP) will continue in the SWP-dependent portion of Metropolitan's service area, and new agency-specific volumetric limits will be established for the first half of 2023 by the General Manager under existing Board authority.

Extended drought on the Colorado River may result in Metropolitan actions to preserve Intentionally Created Surplus (ICS) in Lake Mead and to not operate a full Colorado River Aqueduct (CRA) as soon as next year. Metropolitan's constraints on filling the CRA in 2023 result from future obligations, Lake Mead elevation objectives, and a possible mandate on reducing Colorado River diversions. These risks may necessitate mandatory regionwide restrictions on imported water use through the implementation of Metropolitan's Water Supply Allocation Plan (WSAP) in 2023.

Should drought conditions persist, Metropolitan's Board may consider declaring a WSAP shortage allocation for all member agencies by April 2023 which would become effective from July 2023 to June 2024. Substantial and timely voluntary conservation and local supply production now would mitigate the region's need for a deeper WSAP allocation next year. Between now and April 2023, agencies are advised to begin preparations for mandatory imported water restrictions in their communities.

Details

Persistent Supply Challenges: SWP and Colorado River

Since 2020, California has endured the driest three years on record, resulting in the lowest-ever deliveries from the SWP. The constraints on that supply and Metropolitan's infrastructure limits currently leave nearly 6.9 million people served by member agencies or sub-agencies in the SWP-dependent portion of Metropolitan's service area without enough water to meet normal demands, requiring unprecedented mandatory conservation since June 2022. On the Colorado River, a 22-year drought has plunged the system's reservoirs to record low elevations. The federal government has called for significant cutbacks in water diversions from the Colorado River as soon as 2023. The following is a summary of drought actions by Metropolitan's Board and others to meet the mounting challenge.

- Beginning in April 2021, Governor Newsom issued a series of proclamations declaring drought emergencies for an increasing number of counties in California. On July 8, 2021, Governor Newsom issued Executive Order N-10-21, calling for all Californians to voluntarily reduce their water use by 15 percent.
- On August 17, 2021, the Board adopted a Water Supply Alert Resolution, the third of a four-step water supply condition framework, to manage regional shortages. The Water Supply Alert provided a common framework for outreach, communication, and collaboration. Metropolitan immediately began leveraging media opportunities and initiated a summer conservation campaign with social media, digital marketing, and targeted radio messaging.
- On October 19, 2021, Governor Newsom declared a state of emergency for all California counties. Among other things, the proclamation called on local and regional water agencies to implement their Water Shortage Contingency Plans (WSCPs) to conserve water appropriate for local conditions to redouble their efforts to attain the 15 percent voluntary water use reduction.
- Despite extraordinary measures taken by Metropolitan, its member agencies, and others in Southern California, further action was needed to preserve and stretch limited SWP supplies. In November 2021, the Board adopted a Regional Drought Emergency Resolution recognizing the statewide drought emergency, declaring specified emergency conditions within the Metropolitan service area, and directing specified actions to reduce water use. Among other things, member agencies were urged to make all reasonably practicable changes in their operations and to implement conservation and efficiency measures to reduce the use of SWP supplies. The Regional Drought Emergency Resolution noted that if drought conditions persisted or worsened, the Board would consider a Water Shortage Emergency Condition to impose restrictions and penalties to conserve Metropolitan's water supplies. This Regional Drought Emergency has remained in effect since November 2021.
- In December 2021, the Department of the Interior and water agencies within Arizona, California, and Nevada agreed to the 500+ Plan. In the 500+ Plan, water agencies in the three states committed to conserving an additional 500,000 acre-feet (AF) in both 2022 and 2023 to protect the Lake Mead elevation.
- On March 18, 2022, the California Department of Water Resources (DWR) reduced the 2022 SWP Table A Allocation from 15 percent to only five percent of contract amounts. Three consecutive years of low SWP Table A allocations strained water supplies for portions of Metropolitan's service area that currently are served primarily through the SWP. Referred to as the "SWP Dependent Area," this area has limited or no access to Colorado River supplies. With so little water available, this area had insufficient SWP Table A supplies to meet basic human health and safety (HH&S) water needs, and DWR agreed to provide supplemental water to meet unmet HH&S needs. However, DWR required any SWP contractor that received such supplies to impose mandatory emergency restrictions and required SWP water accessed for HH&S purposes to be returned to the state within five years or as wetter conditions return.
- Deteriorating California water supply conditions prompted Governor Newsom on March 28, 2022, to issue Executive Order N-7-22. This order required that urban water suppliers implement, at a minimum, the shortage response actions of their WSCPs for a shortage level of up to twenty percent (Level 2). The Executive Order also encouraged urban water suppliers to conserve more than the Level 2 target by voluntarily activating more stringent local requirements based on a shortage level of up to thirty percent (Level 3).
- Responding to the acute shortage of SWP water to meet normal demands in the SWP Dependent Area, the Board held a public hearing on April 26, 2022. It adopted a resolution declaring that a Water Shortage Emergency Condition existed in the SWP Dependent Area. Additionally, the resolution authorized the General Manager to finalize and implement the EWCP in the SWP Dependent Area from June 2022 through June 2023. Lastly, the resolution declared Metropolitan's support for the Governor's Executive Order N-7-22 and directed staff to work with relevant state agencies to implement the executive order. Finally, the Board directed the General Manager to continue the actions and activities specified in previous Board drought action resolutions.

- On June 14, 2022, the U.S. Bureau of Reclamation (USBR) Commissioner, Camille Touton, called on the seven Colorado River Basin states to reduce use by two- to four million AF per year as early as 2023 to protect the Colorado River system.
- On August 16, 2022, the Board adopted a resolution affirming a call to action and a commitment to regional reliability for all member agencies, acknowledging a disparity in water reliability conditions for member agencies in the SWP Dependent Area and calling for a recommended portfolio of projects and programs and implementation plan to address this disparity be brought to the Board for approval in February 2023.
- Also, on August 16, 2022, the U.S. Bureau of Reclamation declared the first-ever Level 2A shortage for Lake Mead during calendar year 2023. Under a Level 2A shortage, Arizona, Nevada, and Mexico must make water contributions under the 2019 Drought Contingency Plan. California is not required to make contributions under a Level 2A shortage.
- On October 5, 2022, California sent a letter to the federal government offering to voluntarily reduce the state's Colorado River use by 400,000 AF a year from 2023 through 2026.
- On October 11, 2022, the Board adopted a resolution that strongly recommended cities and water agencies across Southern California pass ordinances permanently prohibiting the installation and irrigation of non-functional turf.
- In November 2022, over 30 water agencies in the Upper and Lower Colorado River Basins, including Metropolitan, signed a Memorandum of Understanding (MOU) committing to reduce demand on the Colorado River. As part of the MOU, each water agency will enforce its appropriate demand management programs to help curtail the need for Colorado River water and protect elevation levels at both Lake Powell and Lake Mead.

Outlook for 2023: A Potential Need for a Regionwide Allocation

Metropolitan projects ending calendar year 2022 with approximately 2.3 million AF of regionwide dry-year storage. However, much of these storage reserves will not be accessible in 2023. Metropolitan's storage supplies are distributed across SWP, Colorado River, and in-region assets. Most dry-year reserves today are concentrated in ICS in Lake Mead. On December 1, 2022, Metropolitan received a low initial SWP Table A allocation of five percent for 2023, as well as HH&S supplies. A low initial Table A allocation combined with very limited SWP storage, including depleted flexible storage and carryover accounts, means that the acute shortage of SWP supplies will persist at least into the first part of 2023. For this reason, the EWCP in the SWP Dependent Area will continue through June 2023 as authorized by the Board in April 2022.

SWP Dependent Area member agencies were allocated agency-specific volumetric limits of SWP supply under the EWCP, and they will receive new volumetric limits for January 2023 through June 2023. Based on the collective experience gained during the first seven months of the EWCP, and due to changing water supply conditions expected in early 2023, Metropolitan has been closely coordinating with the SWP-dependent member agencies regarding any needed adjustments to the EWCP.

The affected agencies discussed and agreed upon one adjustment to the methodology for distributing supplies to the SWP-dependent agencies. This adjustment modifies the distribution of supplies that became available after November 30, 2022. For these additional supplies, they will first be allocated to agencies who must reduce their take of Metropolitan's supply from the SWP system by more than 60 percent from average dry-year deliveries. Once this redistribution of approximately 3,600 AF is made, all additional supplies will be distributed to the agencies according to their proportionate population. Importantly, Metropolitan will seek to obtain these extra supplies by aggressively pursuing water transfer and exchange opportunities.

Although total dry-year storage reserves of 2.3 million AF would ordinarily cover the projected regional supply-demand gap of 322,000 AF in 2023, stored Colorado supplies are inaccessible to the SWP-dependent portion of Metropolitan's service area due to infrastructure limitations. Moreover, Metropolitan intends to minimize the delivery of water from ICS to support Lake Mead's elevation and mitigate deeper shortages that could require additional contributions under the 2019 Drought Contingency Plan. As a result, Metropolitan is not planning to have a full CRA during either 2023 or in subsequent years through 2026.

Without regular access to its considerable Colorado storage reserves, Metropolitan will need to implement some degree of water supply shortage allocation in 2023 for all member agencies—not only those in the SWP Dependent Area—to manage shortages arising from the reduced Colorado River diversions. The WSAP is Metropolitan’s Board-adopted policy and formula for equitably allocating limited available water supplies to the member agencies during severe water shortages when Metropolitan determines it cannot meet all of its wholesale demands. The WSAP was adopted in 2008 and has been implemented three times, most recently during the previous California drought in 2015. As a powerful resource management tool, it mitigates the potential for future deeper and more disparate shortage impacts. The allocation is not necessarily triggered by only specific storage conditions, but by a full consideration of the water supply risks facing the region in the future.

Recommended Resolution to Reaffirm Regional Drought Emergency for All Member Agencies with Additional Focus on Preserving Colorado River Supplies

Staff recommends that the Board adopt a resolution reaffirming the Regional Drought Emergency in effect since November 2021 over the entire service area and emphasizing the need to preserve not only SWP supplies but also Colorado River supplies. The resolution, included as **Attachment 1**, calls upon member agencies to continue and increase efforts to reduce their dependency on both SWP and Colorado River supplies for the duration of the emergency and to implement all appropriate voluntary and mandatory drought actions from their WSCPs. Specifically, the resolution urges all member agencies to:

- Review the adequacy of their current drought response measures.
- Make all reasonably practicable changes in their operations to reduce their use of SWP and Colorado River supplies, including those supplies already in storage.
- Immediately mandate and implement such conservation requirements, water-use efficiency measures, and drought-related limitations as appropriate to reduce the use of SWP and Colorado River supplies, including those already in storage. These measures should reflect actions identified in adopted WSCPs at a minimum Level 2 and recommended Level 3.

The recommended resolution reaffirms the direction and authorities delegated to the General Manager under the November 2021 resolution, with the duration of requested actions and the delegation of authority continuing until further Board action. It acknowledges ongoing collaboration between Metropolitan staff and the member agencies in developing a recommended portfolio for near-term drought actions that will address the disparity in water reliability for SWP Dependent Area agencies. Additionally, the resolution grants that the recommended portfolio will be brought forward for Board consideration later than the February 2023 action promulgated in the Board’s August 16, 2022, resolution.

Metropolitan will continue implementing the EWCP during the first six months of 2023, with updated agency-specific volumetric limits for January through June 2023, as described above. The General Manager will provide the SWP Dependent Area member agencies with updated volumetric limits under the authorities provided in the April 2022 action. Unlike the volumetric limits for 2022, the volumetric limits during the first half of 2023 may fluctuate due to uncertainties in the available water supplies at the beginning of the year. For these reasons, staff will reevaluate the volumetric limits for each SWP Dependent Area member agency monthly to incorporate changes. In this manner, the General Manager can expeditiously allocate newly available supplies to the SWP Dependent Area.

Finally, the resolution states that should drought conditions persist, Metropolitan’s Board, in the coming months, may consider declaring a WSAP shortage allocation implementation for all member agencies in March or April 2023 to go into effect for the period of July 2023 through June 2024. If a sufficient supply of SWP becomes available to lift the EWCP, the SWP Dependent Area member agencies would remain under any WSAP adopted by the Board. Metropolitan staff will work closely with the member agencies to implement the WSAP in the months leading up to any Board decision.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Water District Administrative Code Section 4512: Sales Subject to System and Water Availability

Metropolitan Water District Administrative Code Section 6410: Powers and Duties

By Minute Item 47393, dated February 12, 2008, the Board adopted the Water Supply Allocation Plan.

By Minute Item 52481, dated August 17, 2021, the Board adopted a “Condition 2 – Water Supply Alert” resolution.

By Minute Item 52581, dated November 9, 2021, the Board adopted Regional Drought Emergency resolution with specified emergency conditions within the Metropolitan service area.

By Minute Item 52802, dated April 26, 2022, the Board declared a Water Shortage Emergency Condition, authorized the Emergency Water Conservation Program, and expressed support for the Governor’s Executive Order N-7-22.

By Minute Item 52946, dated August 16, 2022, the Board adopted a resolution committing to regional reliability for all member agencies.

By Minute Item 53015, dated October 11, 2022, the Board adopted a resolution encouraging action to eliminate irrigation of non-functional turf with potable water.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1 and Option #2:

The proposed action is not defined as a project under CEQA (Public Resources Code Section 21065, State CEQA Guidelines Section 15378) because it involves continuing administrative or maintenance activities that will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not defined as a project under CEQA because it involves organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment (Section 15378(b)(5) of the State CEQA Guidelines). Finally, this action is necessary to prevent or mitigate an immediate emergency and is not subject to CEQA pursuant to Public Resources Code Section 21080(b)(4) and Section 15269(c) of the State CEQA Guidelines.

CEQA determination for Option #3:

None required

Board Options

Option #1

Adopt resolution reaffirming the Regional Drought Emergency for all member agencies and calling on all member agencies to reduce the use of State Water Project and Colorado River supplies (**Attachment 1**).

Fiscal Impact: Upon adoption of the resolution, expenditures will likely increase as the General Manager executes the various directives set forth to facilitate communication, conservation, and water supply enhancement. As consumers respond, activity and expenditures in Metropolitan's conservation programs will increase within authorized budget amounts.

Business Analysis: The actions called for under this Regional Drought Emergency would preserve limited SWP and Colorado River supplies and would reduce the likelihood and magnitude of potential future shortages.

Option #2

Adopt the resolution reaffirming a Regional Drought Emergency with modifications to the actions called for within the resolution (**Attachment 1**).

Fiscal Impact: Unknown

Business Analysis: Unknown

Option #3

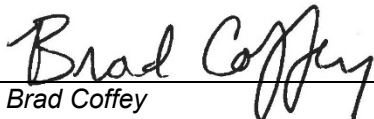
Do not adopt the resolution reaffirming the Regional Drought Emergency at this time.

Fiscal Impact: Unknown

Business Analysis: The likelihood and magnitude of potential future shortages in Metropolitan's service area may increase and necessitate the implementation of more stringent emergency measures

Staff Recommendation

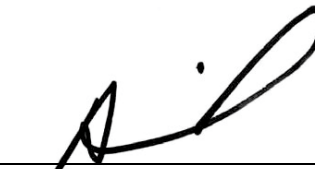
Option #1



Brad Coffey
Manager, Water Resource Management

12/8/2022

Date



Adel Hagekhalil
General Manager

12/9/2022

Date

Attachment 1 – Resolution of the Board of Directors of the Metropolitan Water District of Southern California Reaffirming a Regional Drought Emergency

Ref# wrm12687176

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
REAFFIRMING A REGIONAL DROUGHT EMERGENCY**

WHEREAS, Severe Drought Conditions Are Impacting Water Supplies Imported from the Colorado River and Northern California.

Metropolitan's two primary sources of imported water, the Colorado River and the State Water Project (SWP), face continuing drought.

The Colorado River is experiencing a prolonged 22-year warming and drying trend.

The three-year sequence of water years 2020, 2021, and 2022 (October 1, 2019, through September 30, 2022) were the driest in California for statewide precipitation.

According to the National Oceanic and Atmospheric Administration's (NOAA) U.S. Drought Monitor, California remains in almost 100 percent moderate-to-exceptional drought as of November 29, 2022.

In the past three years, warm temperatures and arid soils depleted the expected runoff water from the Upper Colorado River Basin snowpack and Northern Sierra snowpack into SWP reservoirs.

Unregulated inflow into Lake Powell in the water year 2022 (October 2021 through September 2022) was only 63 percent of normal.

The United States Bureau of Reclamation (USBR) announced a first-ever Level 2A shortage declaration for 2022 for the Colorado River System.

On August 11, 2022, Governor Newsom announced California's latest actions to increase water supply and adapt to more extreme weather patterns caused by climate change in a document called "California's Water Supply Strategy, Adapting to a Hotter, Drier Future." The strategy recognizes that the American West is experiencing extreme, sustained drought conditions caused by hotter, drier weather.

WHEREAS, Deteriorating Colorado River Supply Is Focusing Attention on California's Water Use

The Colorado River system has been continuously in drought since 2000. Lake Mead and Lake Powell were nearly full in 2000; however, both reservoirs are now at their lowest levels since initial filling. Without additional action, Lake Mead elevation levels are projected to decline further.

In December 2021, the United States Department of the Interior (DOI) and water agencies within Arizona, California, and Nevada agreed to the 500+ Plan. In the 500+ Plan, water agencies in the three states committed to conserving an additional 500,000 acre-feet (AF) in both 2022 and 2023 to protect Lake Mead elevation levels further.

In June 2022, USBR Commissioner Camille Touton announced that Colorado River users need to reduce use by two to four million AF per year to protect Lake Powell and Lake Mead operations.

In August 2022, the USBR declared the first-ever Level 2A shortage for the calendar year 2023. Under a Level 2A shortage, Arizona, Nevada, and Mexico must contribute water under the Drought Contingency Plan (DCP).

In October 2022, California water agencies submitted a proposal to the USBR to reduce an additional 400,000 AF of water in Lake Mead in each of four years, beginning in 2023 and lasting through 2026.

WHEREAS, the State of Emergency Exists in All California Counties Due to Severe Drought Conditions.

On October 19, 2021, Governor Newsom proclaimed a state of emergency in all California counties due to severe drought conditions. This proclamation called for all Californians to voluntarily reduce their water use by 15 percent immediately.

The proclamation further directed: (1) the California State Water Resources Control Board (SWRCB) to develop regulations prohibiting wasteful water use; and (2) DWR to help local agencies alleviate acute potable water shortages.

The SWRCB adopted emergency regulations to prohibit wasteful water use on January 4, 2022, and on November 23, 2022, proposed to extend these regulations for another 12 months.

On March 28, 2022, Governor Gavin Newsom issued Executive Order N-7-22 calling on all Californians to strive to limit summertime water use and to use water more efficiently indoors and out.

Executive Order N-7-22 required that urban water suppliers implement, at a minimum, the shortage response actions of their Water Shortage Contingency Plans (WSCP) for a shortage level of up to twenty percent (Level 2). The Executive Order also encourages urban water suppliers to conserve more than Level 2 target by voluntarily activating more stringent local requirements based on a shortage level of up to thirty percent (Level 3).

WHEREAS, Metropolitan's SWP Supplies Are Curtailed.

Beginning in the fall of 2019, the watersheds supplying the SWP received below-average precipitation. DWR classified the three following water years as dry or critically dry.

The three-year sequence of water years 2020, 2021, and 2022 (October 1, 2019, through September 30, 2022) were the driest in California for statewide precipitation.

On March 18, 2022, DWR reduced the SWP Table A allocation for 2022 from 15 to only five percent of contract amounts. Table A allocations for 2020 and 2021 were 20 and five percent, respectively. The last three years mark the lowest three-year combined deliveries of allocated water in the history of the SWP.

In 2022, DWR used a provision of the SWP Contract (Article 18(a)) to allocate water on a basis other than Table A to meet minimum demands of contractors for domestic supply, fire protection, or sanitation during the year. Contractors that received these human health and safety (HH&S) deliveries are required to pay back to DWR future Table A water on a one AF to one AF basis within five calendar years.

On December 1, 2022, DWR announced an initial allocation for the SWP at five percent of contract amounts. DWR also provisionally allocated additional SWP water to ensure that the SWP contractors can meet their HH&S needs during the year.

WHEREAS, Metropolitan's SWP Supplies Are Essential to Meet the Needs of All Member Agencies.

Over the past 20 years, the SWP provided about 30 percent of the region's water needs.

Diamond Valley Lake, Metropolitan's largest surface water reservoir and source of dry-year and emergency water supplies, has only been replenished with SWP supplies since the discovery of Quagga mussels in Colorado River water. As of December 1, 2022, storage in Diamond Valley Lake was 497,000 AF, or 61 percent of capacity.

A SWP allocation of less than 15 percent would be insufficient to meet normal potable demands in areas where Metropolitan depends on the SWP to meet its member agencies' needs, nor can it serve SWP supplies to other member agencies or replenish storage in Diamond Valley Lake.

WHEREAS, Metropolitan, Its Member Agencies, and Others in the Region Have Taken Extraordinary Steps to Reduce Demands and Bolster Supplies.

In conjunction with its member agencies, counties, cities, and wholesale and retail water suppliers, Metropolitan has decreased its potable water demands within its service area by 40 percent, roughly 80 gallons per person per day, since 1990.

Metropolitan invested \$1.6 billion in conservation, local water recycling, and local groundwater recovery since 1990, resulting in cumulative savings of nearly 7.9 million AF.

Metropolitan invested more than \$3.1 billion in increasing storage capacity with Diamond Valley Lake and conveyance capacity with the Inland Feeder to capture SWP supply when available for later use in dry years.

Local water suppliers and communities have also made strategic and forward-looking investments in water recycling, stormwater capture and reuse, groundwater storage, and other strategies to improve drought resilience.

Water conserved throughout the service area, among other things, helped preserve storage in Metropolitan's diverse storage portfolio during these dry conditions.

Continued action by Southern California residents to conserve water and extend local groundwater and surface water supplies will provide greater resilience if the drought continues in future years.

WHEREAS, Metropolitan and Its Member Agencies Have Taken Specific Actions to Preserve SWP and Colorado River Supplies.

On August 17, 2021, by Minute Item 52481, Metropolitan's Board adopted a resolution declaring a "Condition 2 – Water Supply Alert" to preserve Metropolitan's supply for the region.

On November 9, 2021, by Minute Item 52581, Metropolitan's Board adopted a resolution recognizing the statewide drought emergency, declaring specified emergency conditions to exist within portions of its service area, and calling on member agencies to take various actions to preserve Metropolitan's supply from the SWP.

On April 26, 2022, by Minute Item 52802, Metropolitan's Board adopted a resolution declaring a Water Shortage Emergency Condition and established an Emergency Water Conservation Program (EWCP) for member agencies within the SWP Dependent Area.

On October 11, 2022, Metropolitan's Board adopted a resolution that strongly recommended cities and water agencies across Southern California pass ordinances permanently prohibiting the installation and irrigation of non-functional turf.

On November 16, 2022, more than 30 water agencies in the Upper and Lower Colorado River Basins, including Metropolitan, signed a Memorandum of Understanding (MOU) committing to reduce demand on the Colorado River. As part of the MOU, each water agency will enforce its appropriate demand management programs to help curtail the need for Colorado River water and protect elevation levels at both Lake Powell and Lake Mead.

WHEREAS, Additional Actions Are Needed to Manage and Preserve SWP and Colorado River Supplies.

Despite the efforts made to date by Metropolitan, member agencies, and others in the region, additional actions are needed to manage and preserve SWP and Colorado River supplies.

The Metropolitan Board of Directors believes that member agencies should review their WSCPs and immediately implement mandatory conservation measures to help address the SWP and Colorado River supply shortages. This call reaffirms Governor Newsom's call for Level 3 (up to 30 percent) WSCP conservation actions.

The Metropolitan Board of Directors further believes that it is necessary and desirable to work closely with member agencies in identifying near-term actions that could be taken to address this regional drought emergency and the SWP supply shortages. On August 16, 2022, Metropolitan's Board adopted a resolution affirming a Call to Action and a Commitment to Regional Reliability for All Member Agencies to further this effort. This resolution directed the General Manager to identify a portfolio of projects and programs in coordination with the member agencies to address the need to connect and serve each member agency with more than one supply source. This portfolio of actions was to be provided for Board approval in February 2023.

WHEREAS, the Emergency Water Conservation Program Has Successfully Reduced Use of SWP during 2022 and Will Continue Implementation through June 2023

The Board authorized the EWCP in April 2022 to adaptively preserve supplies by reducing non-essential uses of water delivered through the SWP system. EWCP implementation began on June 1, 2022, and continues through June 30, 2023.

Six member agencies within the SWP Dependent Area, serving approximately 6.9 million people, participated in the EWCP in 2022. These member agencies were monitored against outdoor watering restrictions or volumetric limits for the seven months between June and December 2022.

Because of the SWP Dependent Area member agencies' extraordinary efforts, the EWCP achieved its objective of reducing demands within the limited SWP supply available as of November 2022.

During June-December 2022, the SWP Dependent Area member agencies took mandatory water supply cuts from their expected SWP use by an average of 35 percent, with some facing reductions of up to 73 percent. As of December 1, 2022, these member agencies surpassed this objective and used 35 percent less than was expected without emergency conservation and 3 percent less SWP supply than the total volumetric limit. No penalties were issued under the EWCP as of November 2022.

WHEREAS, the Water Supply Allocation Plan Is Metropolitan's Board-Approved Approach for Managing Regionwide Water Supply Shortages

Metropolitan's Board first adopted the Water Supply Allocation Plan (WSAP) in February 2008. Under this plan, the Board may determine a regional shortage, establish a shortage level, and implement a surcharge for water use above a member agency's annual allocation.

The Water Supply Allocation is adopted during regional water shortages to conserve scarce water supplies.

California Water Code section 375 authorizes public agencies to adopt programs and rate structures to encourage water conservation after holding a public hearing and making appropriate findings of necessity.

NOW, THEREFORE, BE IT RESOLVED that under the express and implied powers and authorities granted by The Metropolitan Water District Act (Statutes 1969, ch.209, as amended), the Board of Directors of The Metropolitan Water District of Southern California hereby **REAFFIRMS THE REGIONAL DROUGHT EMERGENCY** declared in November 2021 encompassing the District's entire service area. Per this Declaration, the Board calls on all member agencies to continue actions to:

- (1) Review the adequacy of their current drought response measures.
- (2) Make all reasonably practicable changes in their operations to reduce their use of SWP and Colorado River supplies, including those already in storage.
- (3) Immediately mandate and implement such conservation requirements, water-use efficiency measures, and drought-related limitations as appropriate to reduce the use of SWP and Colorado River supplies, including those already in storage. These measures should reflect actions identified in adopted WSCPs at a minimum Level 2 and recommended Level 3.

BE IT FURTHER RESOLVED that Metropolitan's General Manager is hereby directed to continue coordinating with the member agencies and bringing to the Board for authorization, as appropriate, the following actions:

- (1) A unified message to communicate the status of this regional drought emergency and the need for continued conservation to the general public, businesses, stakeholders, industries, and public officials.
- (2) An aggressive pursuit of short-term water transfer exchange opportunities to reduce the existing water supply constraints imposed on the member agencies.
- (3) Expanded regional water use efficiency programs for this regional drought emergency, provided budget or grant funding is available.
- (4) Measures to ensure all portions of the service area attain a high level of reliability against multi-year, severe droughts. Measures include, but are not limited to, system improvements, local water supply development, new water storage opportunities, and water efficiency gains.
- (5) State and federal funding and resources for the region to accelerate conservation and supply programs.

BE IT FURTHER RESOLVED that, should drought conditions persist or worsen in the coming months, Metropolitan's Board of Directors will consider implementing the regional Water Supply Allocation Plan for all member agencies in March 2023 to be effective from July 2023 to June 2024.

BE IT FURTHER RESOLVED that notwithstanding anything in Metropolitan's Administrative Code to the contrary, direction and authorities previously delegated to the General Manager under the November 2021 Regional Drought Emergency resolution, the April 2022 Water Shortage Emergency Condition resolution, and the August 2022 Call to Action and Commitment to Reliability Resolution continue.

BE IT FURTHER RESOLVED that the duration of requested actions and the delegation of authority will continue until further Board action.

BE IT FURTHER RESOLVED that the Emergency Water Conservation Program (EWCP) will continue implementation in the SWP Dependent Area through June 2023. SWP Dependent Area member agencies under the EWCP will receive new volumetric limits for January through June 2023.

BE IT FURTHER RESOLVED that the Board acknowledges that Metropolitan's staff continues to work cooperatively and productively with member agencies and that collectively they will recommend a portfolio of actions to address the disparity in water reliability for SWP-dependent agencies in a month later than the February 2023 resolution adopted by the Board on August 16, 2022.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held December 13, 2022.

Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California