



RESOLUTION NO. _____

BOARD LETTER APPROVAL

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MARTIN L. ADAMS
Senior Assistant General Manager
Water System

A blue ink signature of Marcie L. Edwards, written in a cursive style, positioned above a horizontal line.

MARCIE L. EDWARDS
General Manager

DATE: March 7, 2016

SUBJECT: Proposed Amendments to the City of Los Angeles
Emergency Water Conservation Plan Ordinance

SUMMARY

Proposed Amendments to the City of Los Angeles (City) Emergency Water Conservation Plan Ordinance (Ordinance) will increase the existing surcharges for Ordinance Violations, create Unreasonable Use of Water Penalties, and incorporate the use of technology to improve Ordinance enforcement. The intent of these amendments is to improve the City's ability to respond to ongoing drought conditions. Adopting the proposed Amendments will enhance LADWP's enforcement authority to address wasteful and unreasonable water use among the City's high water users.

City Council approval is required according to Charter Section 240.

RECOMMENDATION

It is requested that the Board adopt the attached Resolution recommending the Mayor's and City Council's approval of the proposed amendments to the Ordinance.

ALTERNATIVES CONSIDERED

The alternative considered would be to continue to conduct outreach to excessive water users as currently practiced. This alternative may take longer to address unreasonable water use, whereas the proposed modifications to the Ordinance would address this in a more timely fashion.

FINANCIAL INFORMATION

All monies collected by the LADWP pursuant to any of the penalty provisions of the Ordinance shall be collected for water conservation purposes consistent with this Ordinance.

BACKGROUND

Along with the entire State of California, Los Angeles is experiencing a multi-year drought and is consequently working to comply with new water efficiency mandates. The first is meeting Mayor Eric Garcetti's Executive Directive No. 5 target of a 20 percent reduction, achieving citywide usage of 104 gallons per capita per day (GPCD) by 2017. Additionally, the City must also comply with aggressive water use reduction targets established by the State Water Resources Control Board's (SWRCB) Emergency Conservation Regulation through October 2016.

LADWP is implementing multiple strategies to comply with these mandates, which include extensive public outreach, conservation rebates and incentives, and mandatory water use restrictions through the Ordinance. The Ordinance has been foundational to LADWP's successful achievements of water use efficiency mandates during this drought. Currently, according to Phase II of the Ordinance, customers must fix leaks in a timely manner, must eliminate excessive runoff, refrain from watering between 9:00 a.m. and 4:00 p.m., and not water more than three days per week.

As a result, Los Angeles residents have reduced their overall water use to 106 GPCD and the City is on track to meet the Mayor's target of 104 GPCD by January 1, 2017. The City has also reduced total water use by 16.4 percent since June 2015 and is currently on track to meet SWRCB's 16.0 percent water use reduction target for Los Angeles.

While LADWP has been able to stay in compliance with both State and local conservation mandates, certain provisions in the Ordinance make it difficult to monitor and address the behavior of our most excessive water users. Our highest users of water typically tend to have large lots and may also have large outdoor turf areas which increase the potential for unreasonable use. However, these properties can typically be walled and gated, which makes inspection and enforcement of the Ordinance difficult. According to the Ordinance, LADWP's Water Conservation Response Unit (WCRU) is required to observe and verify violations before a citation is issued.

In response, LADWP has made significant efforts to engage high water users Citywide and encourage them to voluntarily reduce their water use. These efforts include:

- Two water conservation letter mailings to high water users to remind them of the importance of conserving during this drought and providing them information on resources available to reduce indoor and outdoor water use.

- Enrolling 2,000 high water user accounts in LADWP's Home Water Report Pilot Program.
- Increasing focused patrolling of neighborhoods with the highest water use customers.
- Offering residential audits for high water users.

These efforts have resulted in significant water savings from a number of the City's high water users. However, LADWP has come to recognize that among the highest water users, there are some customers that are using an unreasonable amount of water for their property characteristics. LADWP seeks to modify the existing Ordinance to increase surcharge amounts for Ordinance violations among all customers, create a system to identify and persuade customers with unreasonable water use to conserve and use water more responsibly, and expand LADWP's authority to use technology for observation of water use and enforcement of the Ordinance.

PROPOSED ORDINANCE AMENDMENTS

In recognition of this need to enhance LADWP's water use efficiency enforcement authority, and thereby reduce water use among the City's highest water users, it is recommended that the City adopt amendments to the existing Ordinance. These amendments would:

1. Increase surcharge amounts for Ordinance violations to reflect the severity of water supply conditions, as shown in the following tables. The shaded areas represent current Ordinance surcharges.

Water Meter Less Than 2 inches						
	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6
1st Written Warning	\$0	\$0	\$0	\$0	\$0	Board Authority
2nd Written Violation	\$50	\$100	\$200	\$300	\$400	Board Authority
3rd Written Violation	\$100	\$200	\$400	\$600	\$800	Board Authority
4th Written Violation	\$150	\$300	\$600	\$900	\$1200	Board Authority
5th Written Violation	Flow Restrictor	Flow Restrictor	Flow Restrictor	Flow Restrictor	Flow Restrictor	Board Authority

Water Meter Greater Than or Equal to 2 inches						
	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6
1st Written Warning	\$0	\$0	\$0	\$0	\$0	Board Authority
2nd Written Violation	\$100	\$200	\$400	\$600	\$800	Board Authority
3rd Written Violation	\$200	\$400	\$800	\$1200	\$1600	Board Authority
4th Written Violation	\$300	\$600	\$1200	\$1800	\$2400	Board Authority
5th Written Violation	Flow Restrictor	Flow Restrictor	Flow Restrictor	Flow Restrictor	Flow Restrictor	Board Authority

2. Establish a mechanism and penalty to address unreasonable water use during drought Phases II-VI.

If any single family customer enters LADWP's highest rate tier, that customer may be subject to a Water Use Analysis performed by LADWP. Within 30 days following written notification by LADWP, the customer shall provide LADWP reasonable access to their property for purposes of performing a Water Use Analysis and/or for verifying compliance with any existing Customer Conservation Plan. The customer or representative shall be present and fully cooperate with LADWP during any onsite activities necessary for the Water Use Analysis.

Upon completion of the Water Use Analysis, LADWP staff will prepare a Customer Conservation Plan that includes an evaluation of all water uses on the property, directions to reduce waste and unreasonable use of water, and a water budget based on the reasonable use of water on the property. Reasonable use of water on the property will be determined by State adopted standard industry methodologies used to calculate indoor and outdoor watering use. LADWP staff will discuss with the customer the findings of the Water Use Analysis and explain their Customer Conservation Plan. LADWP will adopt criteria and procedures to implement the Water Use Analysis.

Failure by the customer to provide access to the property, cooperate with LADWP staff, comply with terms of the Customer Conservation Plan (including any water budget) shall subject the customer to an Unreasonable Water Use Penalty and is deemed a nuisance pursuant to Government Code § 38771. The Unreasonable Water Use Penalty would be issued per billing cycle, according to the following table:

Number of Consecutive Months with Violation*	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6
Violations during months 1-5	Not Applicable	\$1,000	\$2,000	\$5,000	\$10,000	Board Authority
Violations during months 6-11	Not Applicable	\$2,000	\$4,000	\$10,000	\$20,000	Board Authority
Violations during months 12-17	Not Applicable	\$3,000	\$6,000	\$15,000	\$30,000	Board Authority
Violations during months 18-23	Not Applicable	\$4,000	\$8,000	\$20,000	\$40,000	Board Authority

** Customers continuing to violate beyond 24 months will be referred to the Board for consideration of flow restrictors or other actions.*

3. Add language to clarify that LADWP may use technology such as smart metering or flow sensors, etc., to assist staff in observing customer water use and enforcing the Ordinance.

The amended Ordinance will go into effect immediately upon approval by the City Council.

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act (CEQA), it has been determined that amending the Ordinance is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061 (b) (3). General Exemptions apply in situations where it can be seen with reasonable certainty that there is no possibility that the activity in question may have a significant effect on the environment.

CITY ATTORNEY

The Office of the City Attorney reviewed and approved the amended Ordinance and Resolution as to form and legality.

ATTACHMENTS

- Resolution
- Amended Ordinance