

RESOLUTION NO. 2014-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SAN BENITO COUNTY WATER DISTRICT
DECLARING A WATER SHORTAGE EMERGENCY AND
IMPLEMENTING THE DISTRICT'S WATER SHORTAGE CONTINGENCY PLANS**

The San Benito County Water District Board of Directors does hereby resolve as follows:

PURSUANT to California Water Code Section 350 et seq., the Board of Directors has conducted duly noticed public hearings to establish the criteria under which a water shortage emergency may be declared.

WHEREAS,

The District is a water purveyor to the City of Hollister and the Sunnyslope County Water District for municipal purposes and to agricultural customers in San Benito County for irrigation purposes; and

WHEREAS,

Much of California experienced record dry conditions in January 2013 through January 2014, registering historic lows on the Northern Sierra, Upper Sacramento River and San Joaquin precipitation indices; and

WHEREAS,

The Governor of the State of California, in accordance with the authority vested in him by the state Constitution and statutes, including the California Emergency Services Act, and in particular, section 8625 of the California Government Code proclaimed a State of Emergency to exist in the State of California due to current drought conditions; and

WHEREAS,

The District receives water from the Central Valley Project (CVP) as a federal contractor and it has been projected by the Bureau of Reclamation that south of the Delta contractors will receive a zero allocation for agricultural water users and Municipal and Industrial (M&I) customers will only receive 50% of historical allocations this year;

WHEREAS,

The demand for water service is not expected to lessen;

WHEREAS,

As stated in the Hollister Urban Area Water Management Plan 2010, when the combined total amount of water supply available to the District from all sources falls at or below the Stage II triggering levels, the District will declare a water shortage emergency. The water supply would not be adequate to meet the ordinary demands and requirements of water consumers without depleting the District's water supply to the extent that there may be insufficient water for human

consumption, sanitation, fire protection, and environmental requirements. These conditions are likely to exist until precipitation and inflow dramatically increases.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the San Benito County Water District that a water shortage emergency condition exists that threatens the adequacy of the water supply, until the water supply is deemed adequate. The Board of Directors hereby implements the following interim Water Shortage Contingency Plan.

1. Interim Overuse Policies Applicable to Agricultural and M&I San Felipe Customers (Contract and Small Parcel): Overuse of water will result in a reduction of water available to other users who are entitled to their allocation and will require that the District locate and purchase water on the open market to compensate for the overused water. If an Agricultural or M&I customer overuses their applicable water allocation, the District shall discontinue water service by closing the customer's valve. The customer will be billed their applicable water rate and power rate for usage in addition to a minimum regulatory conservation charge up to \$1,200/Acre-Foot). This charge is not imposed upon a parcel as an incident of property ownership but is a regulatory charge on water users who choose to overuse water allocations. The charge is intended to recover the District's costs for locating and purchasing water in the open market to back-fill the District's supplies so that other District customers' allocations will not be impacted.

2. Changing Account Service Type: Customers will not be allowed to change account service type between contract and small parcel or between contract Ag and contract M & I. However, the District has the discretion to authorize changing of account service type when such is deemed justified under the circumstances.

3. Transfer of Water from Agricultural Contract Customers to Agricultural Small Parcel Customers: Agricultural Contract customers will be allowed to transfer 2013-2014 rescheduled water and 2014-2015 water to small parcel customers. Transfers will only be allowed to agricultural small parcel customers with permanent crops (e.g. trees and vines) who meet either of the following criteria: 1) parcels are designated "high boron", 2) customer has no access to well water.

4. Voluntary Conservation: While the conditions at present warrant a Stage II action, the District is initially implementing a Stage I voluntary conservation action with a Demand Reduction Goal of 15 percent. As the District continues to monitor the water supply and conditions, the Board may choose to modify the action level.

5. Miscellaneous: Any and all provisions of the Water User's Handbook that are in conflict with the provisions of this Resolution are hereby suspended during the term of this interim Resolution. This Resolution shall be reviewed periodically but not later than the first meeting in March, 2015, to determine whether a water shortage condition and emergency exists and whether the policies set forth herein should continue in effect. In the event a court of law determines that any provision of this Resolution is invalid, such determination shall not invalidate the remaining provisions of this Resolution.

BE IT FURTHER RESOLVED that the Board of Directors shall periodically conduct proceedings to determine additional restrictions and regulations which may be necessary to safeguard the adequacy of the water supply for domestic, sanitation, fire protection, and environmental requirements.

BE IT FURTHER RESOLVED that the President of the Board is authorized to sign this Resolution on behalf of this Board and District.

PASSED AND ADOPTED by the Board of Directors of the San Benito County Water District this day 18th of February, 2014, by the following vote:

AYES: DIRECTORS: Tobias, Tonascia, Bettencourt, Flores & Torquato
NOES: DIRECTORS: None
ABSENT: DIRECTORS: None

/s/John Tobias
John Tobias
President

ATTEST: /s/Sara Singleton
Sara Singleton
Assistant Manager