

What's up with Clovis water rules? Find out in this Q&A with the city's public utilities director

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In the past three months, Clovis has fined residents because they are not cutting their water consumption by 36 percent. The fines have amounted to nearly \$500,000 in the first three months of the program.

Clovis residents are asking questions about why the fines are being levied. They are concerned that the city's fines are punitive and that money from the fines is not being used for water-related programs.

A Clovis water meter installed in the sidewalk in front of a house being built this summer. ERIC PAUL ZAMORA ezamora@fresnobee.com

The Bee asked Luke Serpa, Clovis' public utilities director, to address those concerns:

Question: Why is Clovis fining customers who are not cutting back water consumption by 36 percent?

Answer: On April 1, the governor ordered the State Water Resources Control Board (SWRCB) to adopt emergency regulations to reduce total urban water usage by 25 percent through February 2016. The governor's orders stipulated that the SWRCB's regulations require areas with higher per-capita usage achieve proportionally higher reductions than those areas with lower per-capita usage. The SWRCB developed and adopted the emergency regulations on May 5.

The regulations included eight different tiers of mandatory reductions in total water usage. When assigning cities to the different tiers, the SWRCB considered only the residential per-capita usage and only that usage during the period of July through September of 2014.

Clovis' residences largely consist of single-family homes on relatively large landscaped lots and Clovis is located in a hot, dry climate, so Clovis' residential per-capita usage during these hottest summer months was relatively high. As a result, the state assigned Clovis to the highest conservation tier and mandated that the city reduce water usage by 36 percent below the amount that was used in 2013.

The state mandated that total water usage be reduced by 36 percent rather than per-capita usage, so no consideration was given to the more than 4 percent population growth that Clovis has seen since 2013. Failure to comply with these mandated reductions could result in the city being penalized by the SWRCB with fines up to \$10,000 per day.

In order to comply with the state's mandated reductions, the city adopted ordinances and a resolution on April 20 that require all customers in Clovis to reduce their water consumption by 36 percent below 2013 levels or be subject to monetary penalties. The ordinances and resolution became effective on May 1.

What percentage of residents have been fined?

Clovis bills each account every other month, with approximately half of the customers billed each month. Three billing cycles have been completed since the penalties were implemented. The percentage of customers that received penalties during these three billing periods ranged from 34 percent to 36 percent.



Does the city have any recourse other than fines?

Clovis has also implemented other measures in addition to the penalties, including restricting outdoor watering to two days per week, increased customer outreach, increased water audits/consultations to help customers conserve water and increased enforcement of water-wasting rules.

Even with the fines, has the city been able to meet the water consumption mandate from the state?

The city has only met the state's 36 percent conservation mandate one month. Water consumption was reduced 31.8 percent in June, 36.3 percent in July, and 32.5 percent in August. The 36 percent conservation mandate is very hard to achieve. Of the 412 cities and water providers that the state assigned to the various conservation tiers, only 65 were assigned to the highest 36 percent tier. Fewer than one-third of those 65 water providers have been able to achieve the required level of conservation through the two months that the state has posted results.

City staff is studying what other cities have done to comply with the state's mandates, and will be recommending some changes to Clovis' measures at the City Council meeting on Oct. 5.

What is the city doing with money generated from fines?

Clovis has not yet determined what will be done with the penalty fees. Clovis has never had to impose penalties like these in the past, and city staff was not sure how much would be assessed and collected. It is important to note that the penalties were intended to promote conservation, not as a source of revenue.

The penalty fees can only be spent on costs associated with water and water conservation. When the penalties were adopted, the intent was that any fees that were collected would be used to pay any fines the state might levy against the city, offset lost revenue if necessary, and if possible be used to provide incentives for additional water conservation measures.

Uncertainties remain regarding enforcement actions the state might take against the city, how long the drought will continue and what further mandates the state might impose. Until these uncertainties are resolved, the fees are being held in the water fund, but are being accounted for separately.

Water conservation has reduced revenues for the water fund by a far greater amount than the amount of penalties that have been assessed. While the city has assessed close to \$500,000 in penalties during the last three billings, water usage charges were more than \$1.2 million lower than the same period last year. Most of the costs associated with providing water to the city's customers are either fixed or sunk costs such as maintenance of the distribution system or debt service for capital improvements like the water treatment plant. The only significant variable costs are the chemicals used to treat the water and the energy to run the pumps and treatment plant.

This means that for the \$1.2 million reduction in water revenue, the city's costs only went down \$300,000, for a net loss of approximately \$900,000. Even if the penalties were included, the city's water fund is still short more than \$400,000 in just three months.

Isn't the city saving money by using less water in its parks and medians?

The parks section is saving money on water this year. However, parks had to spend an additional \$80,000 to cap almost 20,000 sprinklers in order to meet the state's mandates, which offsets much of the anticipated savings in water costs. It is also important to note that the parks section is funded through the general fund and the landscape maintenance district, and that the parks section is legally required to pay the water fund for water.

Can the city reduce the number of employees it's using for maintenance?

No. The work associated with operating Clovis' water system consists of operating the wells and treatment plant, maintaining and repairing the distribution system of pipes and valves and reading water meters.

In fact, the additional water conservation outreach, monitoring and reporting related to the drought response has increased workloads significantly. Capping the sprinklers on the street-side turf has reduced the amount of mowing that is necessary in these areas. However, the city contracts out the mowing of the street-side turf, so this reduction results in adjustments to the contractors' schedules, but not a reduction in city employees.