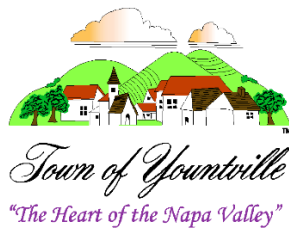


**Town of Yountville**  
**Use of Drought Water Reserve Bank Policy**  
(Adopted December 5, 2017 by Resolution Number 17-3448)

The Town has established a reasonable water supply through a combination of its long-term supply contract with the Californian Veterans Home for use of Rector Reservoir water and the completion of the Yountville Municipal Water Well to meet the community's annual water needs. However, the Town recognizes that it may need to purchase additional water supply in long-term drought situations and has established this Drought Water Reserve Bank from the sale of its State Water Supply surplus water rights to potentially fund the purchase of drought supply water. The following policy sets the considerations for use of the Drought Water Reserve Bank by the Town.

**General Practices:**

1. The Town will continue to develop and implement reasonable water conservation programs and educational programs to educate residential and business customers on how to use less water.
2. The Town will evaluate future water conservation rebate programs to see if their implementation may be appropriate. Continuation of the ultra low flow toilet and water saving appliance program and implementation of turf replacement with drought tolerant and native plants and alternative irrigation systems are examples of how to reduce water consumption are possibilities.
3. Town will review, update if necessary, and maintain a water usage pricing structure which encourages water conservation as allowed by state law.
4. The Town will implement voluntary water rationing and/or increase water rates to reduce water usage and evaluate what impact those mechanisms may have had on water consumption prior to use of mandatory water rationing practices and/or purchase of additional drought water supply.
5. Town Council must review such analysis, including existing available water resources, implementation of advisory and/or mandatory water conservation practices, available water production from emergency water well, and impact on Town services, and make a finding that use of drought water bank to purchase additional water supply is appropriate.
6. The purpose of the initial deposit amount into the Drought Water Reserve Bank is to provide future Town Council's with available resources to make immediate single year drought supply water purchases on the open market.
7. Any use of the Drought Water Reserve Bank by the Town Council will require implementation and adoption of a plan to replenish the Bank by the same amount as used to purchase drought water supply so that the fund is available in the event of a future drought situation.



**The Town will consider use of the Drought Water Reserve Bank under the following conditions:**

1. The Town may use its Drought Water Reserve Bank for the purchase of additional water supply under the following circumstances:
  - The Town Council has declared a local Water Emergency after evaluating local water supply with needs in accordance with the Town Code, Chapter 13.24, Water Shortage Emergencies, Sections 13.24.020 through 13.24.050, or as may be amended in the future.
  - The Town Council has first implemented reasonable voluntary water conservation and rationing measures in accordance with Chapter 13.20, Water conservation or as may be amended in the future.
  - The Town Council has implemented mandatory water rationing program if appropriate.
  - The Town Council has developed and implemented a temporary water rate increase sufficient to replenish the amount of the draw down against the Drought Water Reserve Bank so that the Bank is available for future use if necessary.
2. The Town Council may use the interest earnings from the Drought Water Reserve Bank to annually fund rebate programs (existing or new programs) that help to reduce overall municipal water usage by the customer.
3. The Town Council may use interest earnings and fund balance from the Drought Reserve Bank to make water utility capital projects possible and reduce the impact to the rate payer while maintaining a strong fund balance.
4. The Town Council may use the fund to pay for capital construction cost for water projects which are designed for the purpose of increasing the Town's water storage capacity or increase water production to meet drought water supply needs.
5. The Town shall continually review and work with its partner City of Napa to develop opportunities to achieve reduced water consumption through implementation of new technology, community education and implementation of appropriate water conservation programs when economically feasible and advantageous.

Adopted by the Yountville Town Council on December 5, 2017.