



## General Manager's Report Item 10:

Status Report on Cal-Am Compliance  
with SWRCB Orders and Seaside Basin  
Decision as of December 1, 2014

*Meeting Date: December 15, 2014*

*Staff contact: David J. Stoldt*

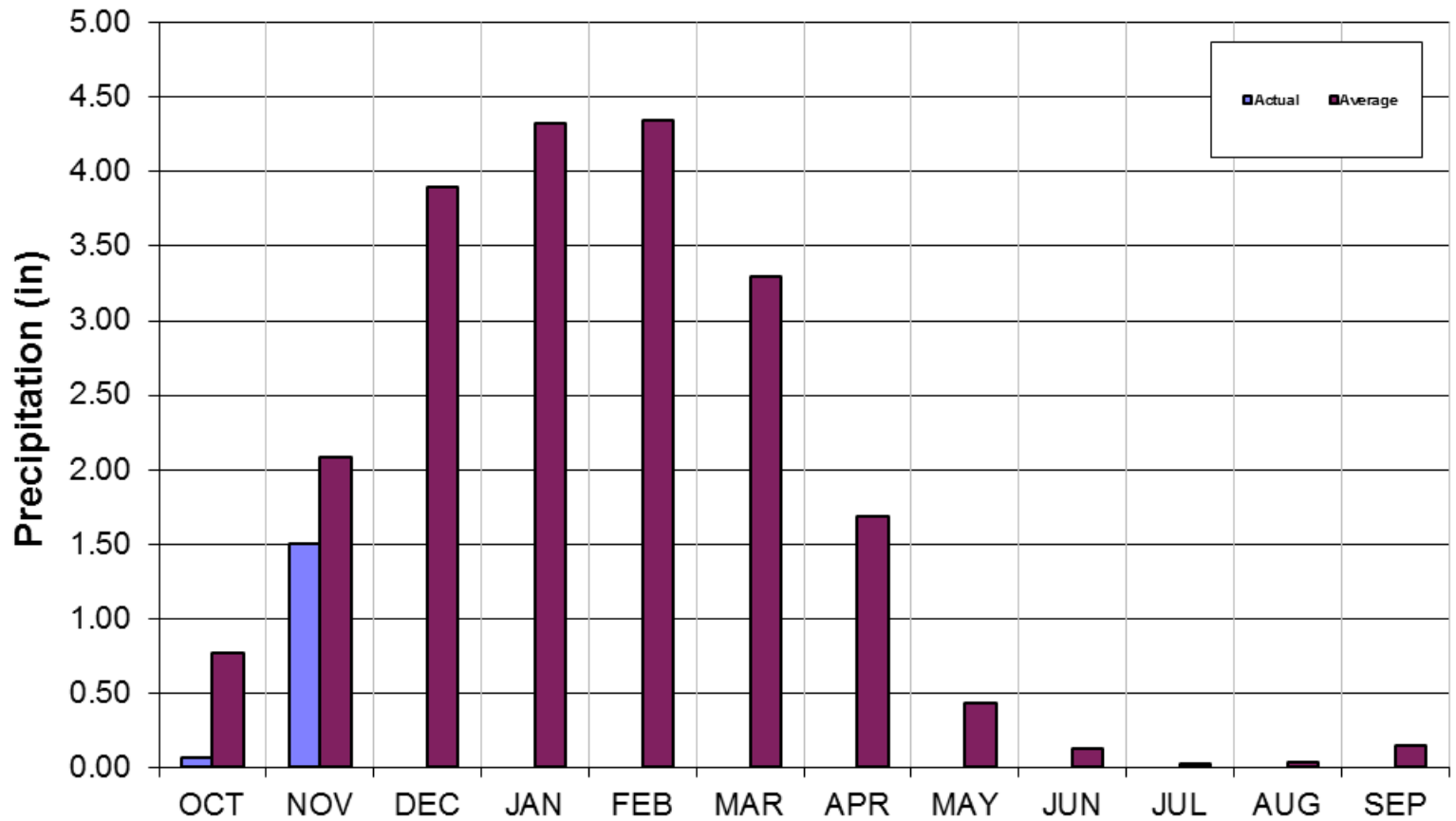
# Actual versus Target Production for Cal-Am: Nov 2014 (All Values in Acre-Feet)

Year-to-Date Values	Carmel River Basin	Seaside Groundwater Basin		Water Projects		MPWRS Total
		Coastal	Laguna Seca	ASR Projects	Sand City	
Target	1,260	700	8	0	50	2,018
Actual	1,173	428	56	0	38	1,695
Difference	87	272	-48	0	12	323

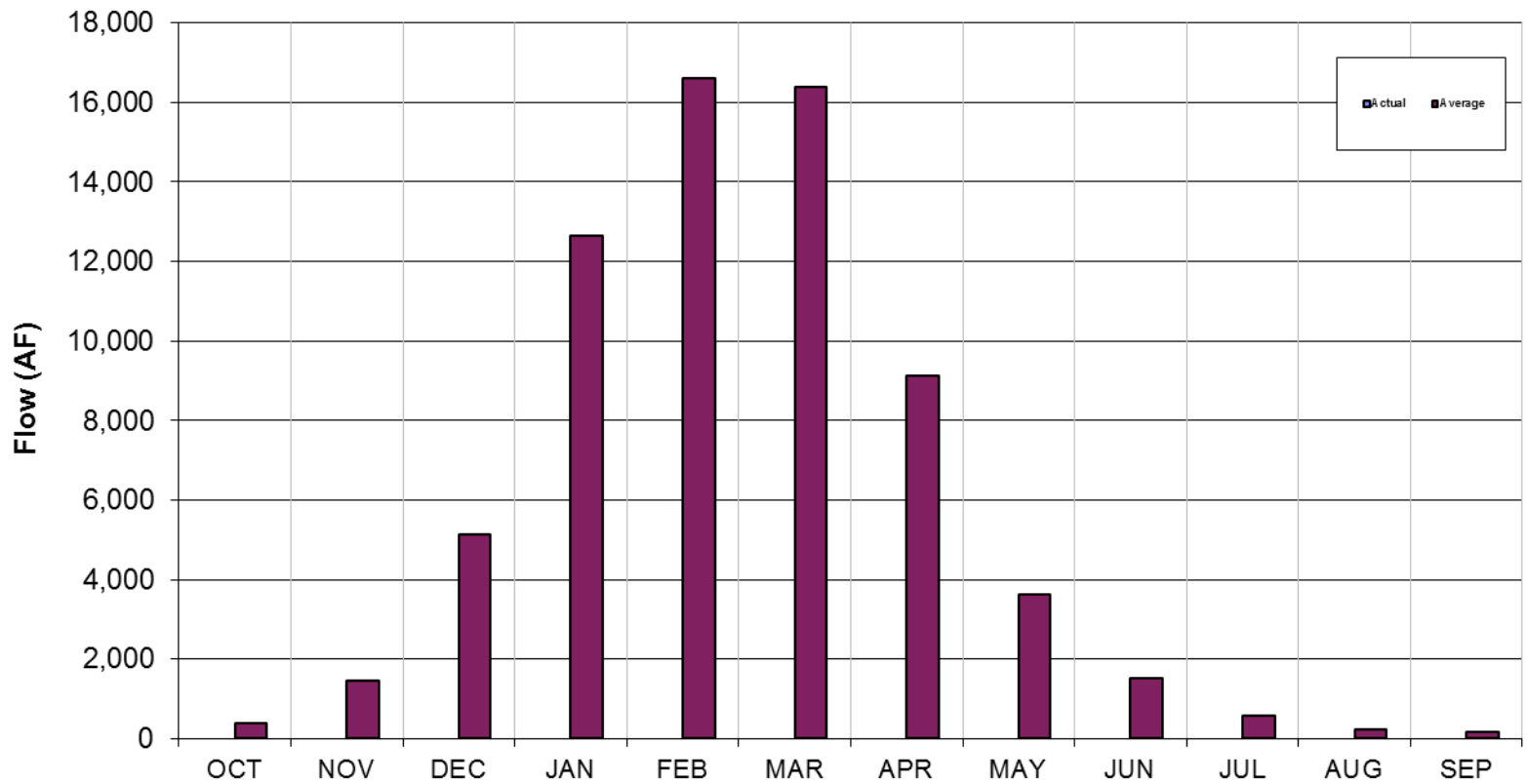
**Notes:**

1. “Sand City” refers to the Sand City Desalination Facility, which pumps brackish water from the Seaside Groundwater Basin as source water. The Sand City values refer to yield from the facility.
2. “ASR Projects” refers to the Phase 1 and 2 Aquifer Storage and Recovery (ASR) Project and the values refer to the amount of stored water recovered for customer service.
3. “MPWRS” refers to Monterey Peninsula Water Resource System.
4. Carmel River Basin Target reflects assumed annual production of 300 AF from Sand City.
5. Production numbers are estimated pending finalization of CAW production data.
6. Carmel River Basin target represents quarterly adjustments based on differences between budgeted values and actual production from other sources.

# Recorded Rainfall at San Clemente Dam: Water Year 2015




# Estimated Unimpaired Carmel River Flow at San Clemente Dam: Water Year 2015





# *Update on Development of Water Supply Projects*



July 21, 2014  
Board of Director's Meeting  
Agenda Item 11

# Cal-Am Desal Project

- Coastal Commission overrules City of Marina to allow test slant well to proceed 11-12-14
- Test slant well Temporary Restraining Order lawsuit filed by Marina Coast Water District 11-24-14
- Cal-Am prevails in change of venue for MCWD test well lawsuit and authorized to proceed last week
- Test well construction commences

# Pure Water Monterey Project

## December 11<sup>th</sup> Meeting Definitive Legal Agreements

- MRWPCA – MCWRA (4<sup>th</sup> Amendment, including Accounting Protocols)
- MRWPCA – Salinas (Operations & Financing)
- MRWPCA – MCWD (Pipeline Lease)
- MRWPCA – Monterey (Lake El Estero)
- MRWPCA – MPWMD – Watermaster (Storage and Recovery Agreement)
- MPWMD – MRWPCA (Recycled Water Sale Agreement)
- MPWMD – Cal Am (Wholesale Water Purchase Agreement)
- 5 Parties – Definitive “Umbrella” Agreement (Potentially)

# Pure Water Monterey Project

## Meetings

- ✓ November 27<sup>th</sup> Water Rights
- ✓ December 2<sup>nd</sup> Water Availability and Water Quality (Sub-Committee)
- ✓ December 11<sup>th</sup> Water Rights (to be rescheduled due to weather)
- ✓ December 11<sup>th</sup> Legal Agreements (Attorneys and Staff)
- December 16<sup>th</sup> Water Availability and Water Quality (Sub-Committee)
- January 8<sup>th</sup> Water Availability and Water Quality (Stakeholder Group)
- January 29<sup>th</sup> Legal Agreements (update) and Financial Issues (Stakeholder Group)
- February 26<sup>th</sup> General Update (Stakeholder Group)
- March 12<sup>th</sup> Financial Issues (Stakeholder Group)
- March 26<sup>th</sup> Legal Agreements and General Update (Stakeholder Group)



# Cal-Am Desal Project

- Coastal Commission overrules City of Marina to allow test slant well to proceed 11-12-14
- Test slant well Temporary Restraining Order lawsuit filed by Marina Coast Water District 11-24-14
- Cal-Am prevails in change of venue for MCWD test well lawsuit and authorized to proceed last week
- Test well construction commences

## Other

- Legislative Staff Water Information Tour
- Fairgrounds and Airport Local Water Project Grants
- Cease and Desist Order



# SAVE WATER – GO BLUE

## Conservation Program Update

Stephanie Locke, Water Demand Manager

December 15, 2014

# Save Water! Go BLUE!

- Rainwater Harvesting workshop and demonstration
  - December 14, 2014: Installation at Carmel Valley Community Center



# Drought Days Drive Through Events

- 4 Drought Drive Ups were held
  - The Crossroads, Carmel
  - Pacific Grove behind Bank of America
  - Monterey Peninsula College
  - Seaside City Hall
- Approximately 1,000 participants
- Promoted by print, social media, and radio
- Site coverage by KSBW and KION



# Drought Day Drive-Thru Events



# GO BLUE Free Devices

- Shower buckets (while you wait for hot)
- Free hose nozzles
- Moisture meters
- 1.5 gpm showerheads
- Faucet aerators
- Leak detector tablets
- Shower timers
- Leak calculators
- Flow measurement bags
- Toilet flappers
- Pre-rinse spray valves
- Dish squeegees
- Shower shut-off valves
- Hotel/restaurant signage



# Water Waste Enforcement

- Monterey Peninsula Hotline **831-658-5653**
- Websites Water Waste Reporting online form
  - [www.montereywaterinfo.org](http://www.montereywaterinfo.org)
  - [www.mpwmd.net](http://www.mpwmd.net)





# Up Next

- Television commercial
- Rebate program continues in 2015
- MPWMD will begin contacting businesses regarding compliance with conservation requirements



Join the Team!



[www.MontereyWaterInfo.org](http://www.MontereyWaterInfo.org)





CALIFORNIA  
AMERICAN WATER

# HOW TO READ YOUR WATER METER & MONTHLY BILL

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

December 15, 2014

# HOW TO READ YOUR WATER METER

Numbers read from left to right,  
like an odometer

Meter measures water use  
in cubic feet



1 cubic foot =  
7.48 gallons

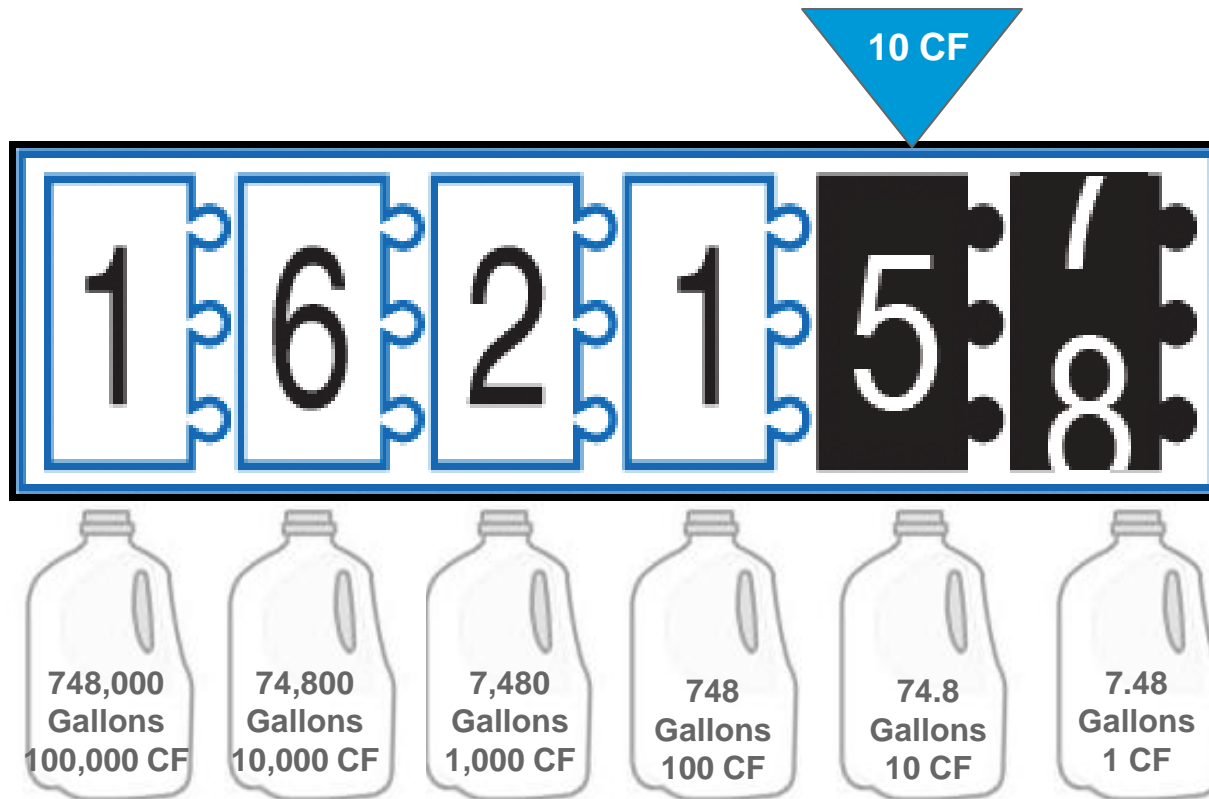
Small red triangle rotates  
anytime water is flowing

Red arrow makes  
complete turn when  
one cubic foot of water has  
passed through meter



If your water is not running and  
the triangle is still rotating,  
you probably have a leak

# HOW TO READ YOUR WATER METER



# ENSURING METER ACCURACY

Each meter tested before it leaves factory to ensure compliance with AWWA **industry standards**

98.5% to 101.5% accuracy at **intermediate** & **maximum** flow rates

95% - 101% accuracy at **minimum** flow rates

Meters are read via **remote read** or manually, by **visually inspecting** the face of the meter

Meters are replaced every **15 – 20 years**

# HOW TO READ YOUR WATER BILL

## RESIDENTIAL



For Service To:

- Check this box for address changes and note new address on back.

Account Number	
Due Date	October 24, 2014
Total Due	\$78.50

Amount Enclosed \$

CALIFORNIA AMERICAN WATER  
PO BOX 7150  
PASADENA, CA 91109-7150



Please tear along the dotted line and return this portion with your payment.

### BILLING PERIOD AND METER READINGS

- Billing date: October 2, 2014
- Due Date: October 24, 2014
- Billing period: Sep 03 to Oct 01 (29 Days)
- Next reading on or about: Oct 31, 2014
- Customer Type: Residential
- Meter Reading Measurement:  
1 unit = 10 CF or 74.8 gallons of water
- Billing Measurement: 100 gallons (CGL)

Meter No.	81177456
Size of meter	5/8"
Current Read	14,724 (Actual)
Previous Read	14,641 (Actual)
Total water used this billing period	83 units (6,208 gallons)

- Total Water Use Comparison (in 100 gallons)
- Current billing period 2014: 62.08 CGL
  - Same billing period 2013: 63.58 CGL

Rate Block Allotments				
Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
44.88	44.88	67.32	67.32	All Other Usage

### BILLING SUMMARY

For Service To:

For Account

- Prior Balance 215.90
- Payments as of Sep16. Thank you! -215.90

Balance Forward 0.00

- Current Water Service
- Water Service Charge 10.11
  - Water Usage Charge (\$0.56520000 x 44.88) 25.37
  - (\$1.12080000 x 17.20) 19.28
  - Total Water Service Related Charges 54.76

- Other Charges
- Conservation Surcharge 2.22
  - Gen Exp Balance Acct Srchg 5.98
  - Coastal Water Project Surcharge (54.76 x 15.00%) 8.21
  - MPWMD Cnsvm Surcharge 0.86
  - MPWMD Surcharge 4.37
  - Seaside Basin BA Surcharge 0.37
  - Total Other Charges 22.01

- Taxes
- County Franchise Taxes 0.69
  - Commission Surcharge 1.04
  - Total Taxes 1.73

TOTAL CURRENT CHARGES 78.50

TOTAL AMOUNT DUE \$78.50

### Important messages from California American Water

- Recently, the California Public Utilities Commission approved revised Tariff Rule 8, which will allow California American Water to begin mailing "shut off for non-pay in 72 hours" notices to customers rather than posting them on customers' doorsteps. We are currently implementing this new practice to improve the efficiency of our operations and reduce confusion in the customer notification process. Notices for failures to pay will be mailed seven days in advance before service is shut off.
- Questions about the drought? Due to the ongoing drought conditions, we are encouraging our customers to save water whenever possible. To learn more about our water conservation programs along with information about our free conservation devices and services customers can call our conservation hotline at (831) 646-3205 or check out [www.montereywaterinfo.org](http://www.montereywaterinfo.org) like and follow Monterey Water Conservation on Facebook.
- Contact California American Water's local conservation department at 831.646.3205 to take advantage of rebates, water wise house calls and more. For more information visit [www.montereywaterinfo.org](http://www.montereywaterinfo.org).

Questions about this bill? Call our 24-Hour Customer Service Center: 1-888-237-1333 [www.californiaamwater.com](http://www.californiaamwater.com)  
603750782263



# HOW TO READ YOUR **WATER BILL**

## BILLING PERIOD, METER READINGS & ALLOTMENTS

### BILLING PERIOD AND METER READINGS

- Billing date: October 2, 2014
- Due Date: October 24, 2014
- Billing period: Sep 03 to Oct 01 (29 Days)
- Next reading on or about: Oct 31, 2014
- Customer Type: Residential
- Meter Reading Measurement:  
1 unit = 10 CF or 74.8 gallons of water
- Billing Measurement: 100 gallons (CGL)

Meter No.	81177456
Size of meter	5/8"
Current Read	14,724 (Actual)
Previous Read	14,641 (Actual)
Total water used this billing period	83 units (6,208 gallons)

### Total Water Use Comparison (in 100 gallons)

- Current billing period 2014: 62.08 CGL
- Same billing period 2013: 63.58 CGL

### Rate Block Allotments

Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
44.88	44.88	67.32	67.32	All Other Usage

# ALLOTMENT CALCULATION

---

Number of people	Allotted 10 cfs per month	Equivalent gallons per day	Allotted CGL per month
1	15	37.5	11.22
2	30	75	22.44
3	45	112.5	33.66
4	60	150	44.88
5	75	187.5	56.1
6	90	225	67.32
7	105	262.5	78.54

# HOW TO READ YOUR **WATER BILL**

## RESIDENTIAL

### BILLING SUMMARY

For Service To:

For Account

Prior Balance

• Balance from last bill	215.90
• Payments as of Sep16. Thank you!	-215.90

---

<b>Balance Forward</b>	<b>0.00</b>
------------------------	-------------

---

Current Water Service

• Water Service Charge	10.11
• Water Usage Charge	25.37
	(\$0.56520000 x 44.88)
	(\$1.12080000 x 17.20)
	19.28
• Total Water Service Related Charges	<u>54.76</u>

Other Charges

• Conservation Surcharge	2.22
• Gen Exp Balance Acct Srchg	5.98
• Coastal Water Project Surcharge (54.76 x 15.00%)	8.21
• MPWMD Cnsvn Surcharge	0.86
• MPWMD Surcharge	4.37
• Seaside Basin BA Surcharge	0.37
• Total Other Charges	<u>22.01</u>

Taxes

• County Franchise Taxes	0.69
• Commission Surcharge	1.04
• Total Taxes	<u>1.73</u>

---

<b>TOTAL CURRENT CHARGES</b>	<b>78.50</b>
------------------------------	--------------

---

**TOTAL AMOUNT DUE**  **\$78.50**

# METER RATES

---

	Per Meter Per Month
For 5/8 x 3/4-inch meter	\$10.11
For 3/4- inch meter	\$15.16
For 1-inch meter	\$25.27
For 1 1/2-inch meter	\$50.55
For 2-inch meter	\$80.88
For 3-inch meter	\$151.65
For 4-inch meter	\$252.75
For 6-inch meter	\$505.49
For 8-inch meter	\$808.78

---

# HOW TO READ YOUR WATER BILL

## RESIDENTIAL

### BILLING SUMMARY

For Service To:

For Account

Prior Balance

• Balance from last bill	215.90
• Payments as of Sep16. Thank you!	-215.90

---

<b>Balance Forward</b>	<b>0.00</b>
------------------------	-------------

---

Current Water Service

• Water Service Charge	10.11
• Water Usage Charge	25.37
	(\$0.56520000 x 44.88)
	(\$1.12080000 x 17.20)
	19.28
• Total Water Service Related Charges	54.76

Other Charges

• Conservation Surcharge	2.22
• Gen Exp Balance Acct Srchg	5.98
• Coastal Water Project Surcharge (54.76 x 15.00%)	8.21
• MPWMD Cnsvn Surcharge	0.86
• MPWMD Surcharge	4.37
• Seaside Basin BA Surcharge	0.37
• Total Other Charges	22.01

Taxes

• County Franchise Taxes	0.69
• Commission Surcharge	1.04
• Total Taxes	1.73

---

<b>TOTAL CURRENT CHARGES</b>	<b>78.50</b>
------------------------------	--------------

---

**TOTAL AMOUNT DUE**  **\$78.50**

# VOLUMETRIC RATES

	<b>Base Volumetric PER CGL</b>	<b>WRAM PER CGL</b>	<b>San Clemente Dam Surchg PER CGL</b>	<b>Old Monterey Style WRAM Surchg PER CGL</b>	<b>Sand City Surcharge PER CGL</b>	<b>TOTAL BASE RATE PER CGL</b>
Block 1	\$0.5652					\$0.5652
Block 2	\$0.8477	0.1247	0.1217	0.0267		\$1.1208
Block 3	\$2.2608	0.2495	0.2433	0.0535		\$2.8071
Block 4	\$4.5215	0.4989	0.4866	0.1068	0.6575	\$6.2714
Block 5	\$5.6520	0.8730	0.8516	0.1870	0.6575	\$8.2211

# HOW TO READ YOUR WATER BILL

## RESIDENTIAL

### BILLING SUMMARY

For Service To:

For Account

Prior Balance

• Balance from last bill	215.90
• Payments as of Sep16. Thank you!	-215.90

**Balance Forward** 0.00

Current Water Service

• Water Service Charge	10.11
• Water Usage Charge (\$0.56520000 x 44.88)	25.37
(\$1.12080000 x 17.20)	19.28
• Total Water Service Related Charges	<u>54.76</u>

Other Charges

• Conservation Surcharge	2.22
• Gen Exp Balance Acct Srchg	5.98
• Coastal Water Project Surcharge (54.76 x 15.00%)	8.21
• MPWMD Cnsvn Surcharge	0.86
• MPWMD Surcharge	4.37
• Seaside Basin BA Surcharge	0.37
• Total Other Charges	<u>22.01</u>

Taxes

• County Franchise Taxes	0.69
• Commission Surcharge	1.04
• Total Taxes	<u>1.73</u>

**TOTAL CURRENT CHARGES** 78.50

**TOTAL AMOUNT DUE**  **\$78.50**

Conservation Surcharge:  
 $\$0.0357 \times 62.08 \text{ CGL} = \$2.22$

Gen Exp Balance Acct Srchg:  
 $\$0.0964 \times 62.08 \text{ CGL} = \$5.98$

Coastal Water Project Srchg:  
 $\$54.76 \times 15\% = \$8.21$

MPWMD Cnsvn Surcharge:  
 $\$0.0139 \times 62.08 \text{ CGL} = \$0.86$

MPWMD Surcharge:  
 $\$72.40 \times 6.03\% = \$4.37$

# SEASIDE BASIN SURCHARGE

<b>Meter Size</b>	<b>Meter Surcharge</b>
For 5/8 x 3/4 meter	\$0.37
For 3/4 meter	\$0.55
For 1 meter	\$0.91
For 1 1/2 meter	\$1.83
For 2 meter	\$2.93
For 3 meter	\$5.49
For 4 meter	\$9.15
For 6 meter	\$18.29
For 8 meter	\$29.27



# HOW TO READ YOUR WATER BILL

## RESIDENTIAL

### BILLING SUMMARY

For Service To:

For Account

Prior Balance

• Balance from last bill	215.90
• Payments as of Sep16. Thank you!	-215.90

<b>Balance Forward</b>	<b>0.00</b>
------------------------	-------------

Current Water Service

• Water Service Charge	10.11
• Water Usage Charge (\$0.56520000 x 44.88)	25.37
	(\$1.12080000 x 17.20)
	19.28
• Total Water Service Related Charges	54.76

Other Charges

• Conservation Surcharge	2.22
• Gen Exp Balance Acct Srchg	5.98
• Coastal Water Project Surcharge (54.76 x 15.00%)	8.21
• MPWMD Cnsvn Surcharge	0.86
• MPWMD Surcharge	4.37
• Seaside Basin BA Surcharge	0.37
• Total Other Charges	22.01

Taxes

• County Franchise Taxes	0.69
• Commission Surcharge	1.04
• Total Taxes	1.73

<b>TOTAL CURRENT CHARGES</b>	<b>78.50</b>
------------------------------	--------------

**TOTAL AMOUNT DUE**



**\$78.50**

County Franchise Taxes  
 $\$69.32 \times 1\% = \$0.69$

Commission Surcharge  
 $\$69.32 \times 1.5\% = \$1.04$

# HOW TO READ YOUR WATER BILL

## NON-RESIDENTIAL



For Service To:

- Check this box for address changes and note new address on back.

Account Number	
Due Date	December 5, 2014
Total Due	\$484.61

Amount Enclosed \$

CALIFORNIA AMERICAN WATER  
PO BOX 7150  
PASADENA, CA 91109-7150



Please tear along the dotted line and return this portion with your payment.

### BILLING PERIOD AND METER READINGS

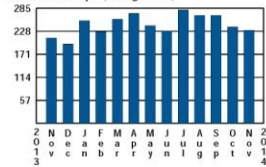
- Billing date: November 13, 2014
- Due Date: December 5, 2014
- Billing period: Oct 15 to Nov 12 (29 Days)
- Next reading on or about: Dec 12, 2014
- Customer Type: Commercial
- Meter Reading Measurement:  
1 unit = 10 CF or 74.8 gallons of water
- Billing Measurement: 100 gallons (CGL)

Meter No.	38969768
Size of meter	5/8"
Current Read	38,491 (Actual)
Previous Read	38,183 (Actual)
Total water used this billing period	308 units (23,038 gallons)

### Total Water Use Comparison (in 100 gallons)

- Current billing period 2014: 230.38 CGL
- Same billing period 2013: 210.93 CGL

### Billed Use Graph (100 gallons)



### BILLING SUMMARY

For Service To:

For Account

Prior Balance	
• Balance from last bill	500.97
• Payments as of Oct23. Thank you!	-500.97
<b>Balance Forward</b>	<b>0.00</b>

Current Water Service	
• Water Service Charge	20.22
• Water Usage Charge (\$1.39720000 x 230.38)	321.89
• Total Water Service Related Charges	342.11

Other Charges	
• Conservation Surcharge	8.22
• Gen Exp Balance Acct Srchg	22.21
• Coastal Water Project Surcharge (342.11 x 15.00%)	51.32
• MPWMD Cnsvn Surcharge	3.20
• MPWMD Surcharge	25.77
• Seaside Basin BA Surcharge	0.37
• Total Other Charges	111.09

Taxes	
• City Franchise Taxes	4.37
• Utility User Tax	20.80
• Commission Surcharge	6.24
• Total Taxes	31.41

**TOTAL CURRENT CHARGES 484.61**

**TOTAL AMOUNT DUE \$484.61**

### Important messages from California American Water

- Recently, the California Public Utilities Commission approved revised Tariff Rule 8, which will allow California American Water to begin mailing "shut off for non-pay in 72 hours" notices to customers rather than posting them on customers' doorsteps. We are currently implementing this new practice to improve the efficiency of our operations and reduce confusion in the customer notification process. Notices for failures to pay will be mailed seven days in advance before service is shut off.
- Questions about the drought? Due to the ongoing drought conditions, we are encouraging our customers to save water whenever possible. To learn more about our water conservation programs along with information about our free conservation devices and services customers can call our conservation hotline at (831) 646-3205 or check out [www.montereywaterinfo.org](http://www.montereywaterinfo.org) like and follow Monterey Water Conservation on Facebook.
- Get Informed about the Monterey Peninsula Water Supply Project. Visit the Monterey Peninsula Water Supply Project website, at [www.watersupplyproject.org](http://www.watersupplyproject.org), to read the newly published quarterly progress report, sign up for updates and find out other information about the project.

Questions about this bill? Call our 24-Hour Customer Service Center: 1-888-237-1333 [www.californiaamwater.com](http://www.californiaamwater.com)  
608750779489

# HOW TO READ YOUR WATER BILL

## NON-RESIDENTIAL

### Current Water Service

• Water Service Charge	20.22
• Water Usage Charge (\$1.39720000 x 230.38)	321.89
• Total Water Service Related Charges	<u>342.11</u>

### Other Charges

• Conservation Surcharge	8.22
• Gen Exp Balance Acct Srchg	22.21
• Coastal Water Project Surcharge (342.11 x 15.00%)	51.32
• MPWMD Cnsvn Surcharge	3.20
• MPWMD Surcharge	25.77
• Seaside Basin BA Surcharge	0.37
• Total Other Charges	<u>111.09</u>

### Taxes

• City Franchise Taxes	4.37
• Utility User Tax	20.80
• Commission Surcharge	6.24
• Total Taxes	<u>31.41</u>

---

<b>TOTAL CURRENT CHARGES</b>	<b>484.61</b>
------------------------------	---------------

**TOTAL AMOUNT DUE**



**\$484.61**

# METER RATES

---

	<b>Per Meter Per Month</b>
For 5/8 x 3/4-inch meter	\$20.22
For 3/4-inch meter	\$30.33
For 1-inch meter	\$50.55
For 1-1/2-inch meter	\$101.10
For 2-inch meter	\$161.76
For 3-inch meter	\$303.29
For 4-inch meter	\$505.49
For 6-inch meter	\$1,010.98
For 8-inch meter	\$1,617.57

---

# HOW TO READ YOUR WATER BILL

## NON-RESIDENTIAL

### Current Water Service

• Water Service Charge	20.22
• Water Usage Charge ( $\$1.39720000 \times 230.38$ )	321.89
• Total Water Service Related Charges	<u>342.11</u>

### Other Charges

• Conservation Surcharge	8.22
• Gen Exp Balance Acct Srchg	22.21
• Coastal Water Project Surcharge ( $342.11 \times 15.00\%$ )	51.32
• MPWMD Cnsvn Surcharge	3.20
• MPWMD Surcharge	25.77
• Seaside Basin BA Surcharge	0.37
• Total Other Charges	<u>111.09</u>

### Taxes

• City Franchise Taxes	4.37
• Utility User Tax	20.80
• Commission Surcharge	6.24
• Total Taxes	<u>31.41</u>

---

<b>TOTAL CURRENT CHARGES</b>	<b>484.61</b>
------------------------------	---------------

**TOTAL AMOUNT DUE**



**\$484.61**

**DIVISION 1:** Customers that are indoor/outdoor Rate BMP-compliant and irrigate no more than 10% of their property

**DIVISION 2:** Customer that are indoor/outdoor Rate BMP-compliant and have a business where watering is essential to the business

**DIVISION 3:** Customers that are indoor/outdoor Rate BMP compliant and irrigate more than 10% of their property

**DIVISION 4:** Customers that are not Rate BMP compliant

# VOLUMETRIC RATES

	Base Volumetric PER 100 GAL	WRAM PER 100 GAL	San Clemente Dam Surcharge PER 100 GAL	Old Monterey Style WRAM Surchg PER 100 GAL	Sand City Surcharge PER 100 GAL	TOTAL BASE RATE PER 100 GAL
Division 1	\$0.8940	\$0.2341	\$0.2298	\$0.0393		\$1.3972
Division 2	\$1.0057	\$0.2632	\$0.2586	\$0.0441	\$0.1663	\$1.7379
Division 3	\$1.1175	\$0.2925	\$0.2872	\$0.0491	\$0.1848	\$1.9310
Division 4	\$2.2350	\$0.5850	\$0.5745	\$0.0981	\$0.3697	\$3.8623

# HOW TO READ YOUR WATER BILL

## NON-RESIDENTIAL

### Current Water Service

• Water Service Charge	20.22
• Water Usage Charge ( $\$1.39720000 \times 230.38$ )	321.89
• Total Water Service Related Charges	<u>342.11</u>

### Other Charges

• Conservation Surcharge	8.22
• Gen Exp Balance Acct Srchg	22.21
• Coastal Water Project Surcharge ( $342.11 \times 15.00\%$ )	51.32
• MPWMD Cnsvn Surcharge	3.20
• MPWMD Surcharge	25.77
• Seaside Basin BA Surcharge	0.37
• Total Other Charges	<u>111.09</u>

### Taxes

• City Franchise Taxes	4.37
• Utility User Tax	20.80
• Commission Surcharge	6.24
• Total Taxes	<u>31.41</u>

---

<b>TOTAL CURRENT CHARGES</b>	<b>484.61</b>
------------------------------	---------------

**TOTAL AMOUNT DUE**



**\$484.61**



# QUESTIONS & ANSWERS



# Sustainable Groundwater Management Act of 2014

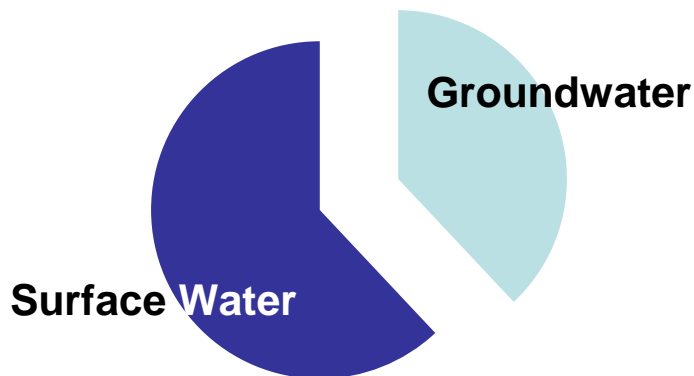
MPWMD Board Meeting  
December 15, 2014  
Agenda Item 16

# New Legislation

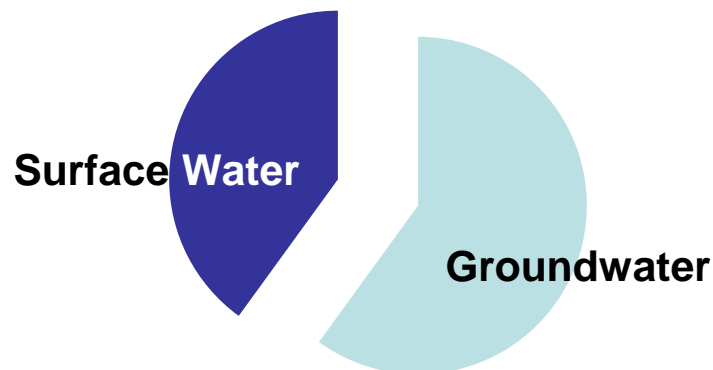
- Signed into law September 16, 2014
- Three bills: AB 1739, SB 1168, and SB 1319
- Provides for local or regional management of groundwater
- Allows State to intervene, if necessary, until local agencies implement groundwater management plans

# Why Now?

## Average Year



## Dry Year



- 80 of Californians rely in part on Groundwater
- Groundwater storage is 10X all surface reservoirs
- Groundwater and surface water interact
- Overdraft problems have significant effect on water supplies and the environment

# Summary

- Defines “sustainable groundwater management”
- Establishes uniform local framework
- Provides State technical assistance
- Provides for State review and intervention, if needed
- Protects water rights

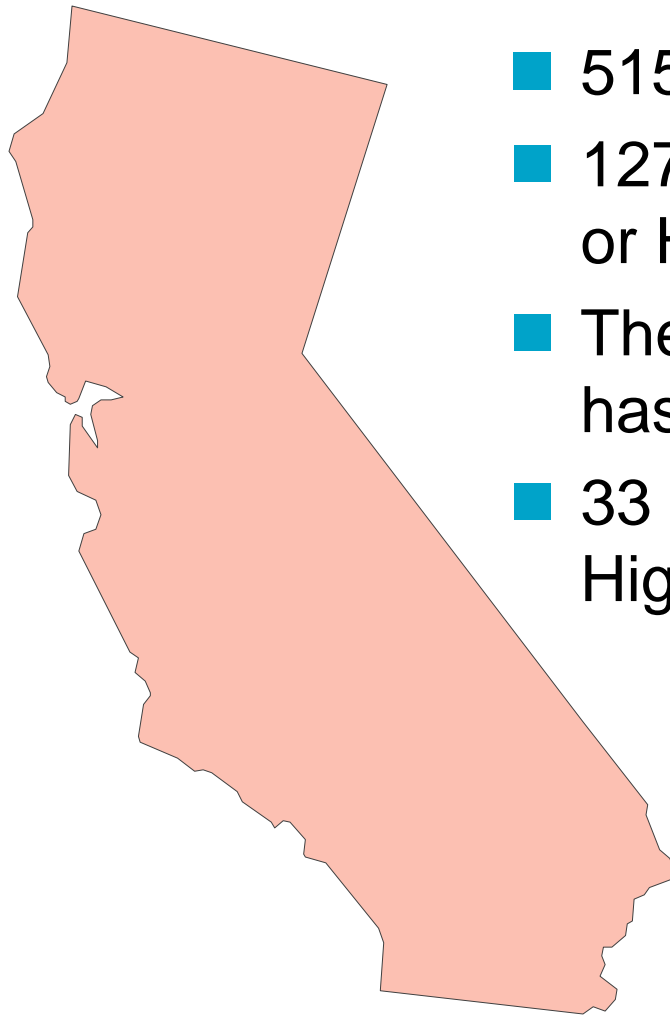
# Basic Requirements

- Groundwater Sustainability Agency (GSA) must be formed by June 30, 2017
- GSA must adopt Groundwater Sustainability Plan within 5-7 years for high- and medium-priority basins
- Plans are detailed physical descriptions, monitoring and management provisions, and describe interaction with other plans (e.g. general plans)
- Evaluated by State every 5 years
- Prop 1 has \$100 million to assist
- Require sustainability by 20 years from adoption

# A GSA May...

- Require well registration
- Require meters on all wells at expense of owner
- Require annual reporting
- Can impose well spacing and production requirements
- Assess fees to pay for groundwater management plans
- After January 1, 2016 may request DWR revise the boundaries of a basin

# Identified Basins

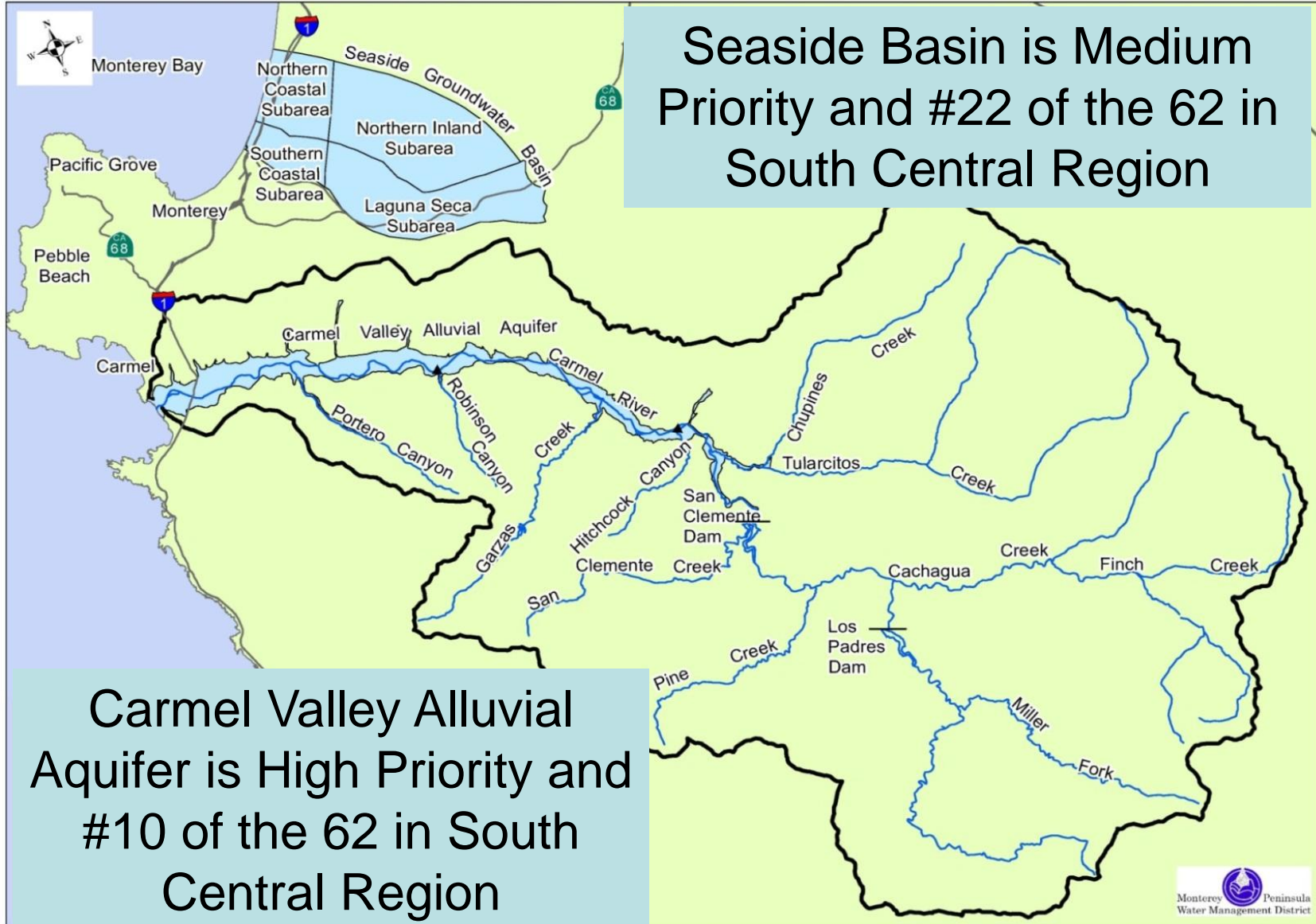


- 515 Basins in California
- 127 of Which are Medium or High Priority
- The South Central Region has 62 Basins
- 33 of Which are Medium or High Priority



# MPWMD Jurisdiction

Seaside Basin is Medium Priority and #22 of the 62 in South Central Region



Carmel Valley Alluvial Aquifer is High Priority and #10 of the 62 in South Central Region

# Legislation's Local Direction

- Specifically exempts 26 adjudicated basins including Seaside Basin, but there remains reporting required
- MPWMD is 1 of 15 agencies “deemed to be the exclusive local agencies within their respective statutory boundaries with powers to comply” with the electing of a GSA
- May “opt out” but another GSA would be required

# Key Issues for MPWMD

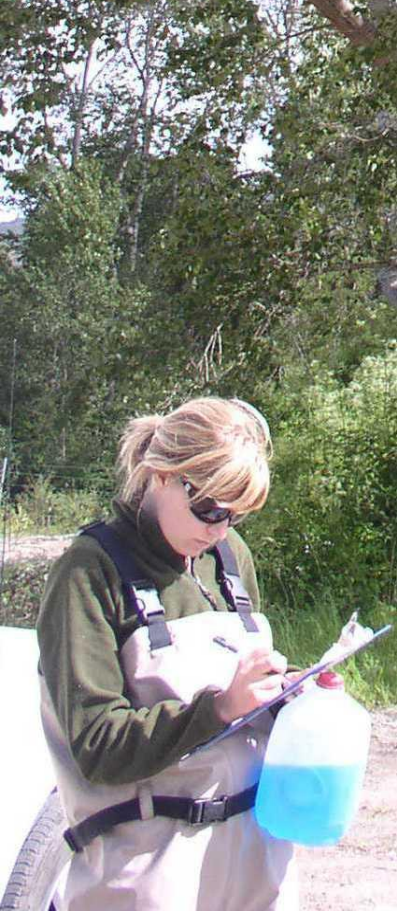
- Basins are defined by DWR Bulletin 118
- Cross-jurisdictional GSA issues with Seaside Basin
- Order 95-10 allows SWRCB to regulate CVAA as surface water flowing under ground – at odds with groundwater management
- Definition of “sustainable” in the Act includes no “surface water depletions that have significant and unreasonable adverse impacts on beneficial uses”
- Interaction with existing District regulations



## **Public Hearing Item 17:**

**Consider Adoption of January - March 2015 Quarterly Water Supply Strategy and Budget for California American Water**

December 15, 2014, Regular Meeting  
Staff Contacts: Kevan Urquhart & Jonathan Lear



# CALIFORNIA AMERICAN WATER QUARTERLY WATER SUPPLY BUDGET: January – March 2015

- Consistent with SWRCB Orders 95-10, 98-04, 2002-02, and 2009-0060, Seaside Groundwater Basin adjudication decision and Rule 162 targets.
- Includes the fifth set of annual reductions in Cal-Am's diversions from the Carmel River specified in SWRCB Order WR 2009-0060 for Water Year 2015.
- Includes the third triennial reduction in Cal-Am's diversions from Seaside Groundwater Basin for Water Year 2015 as specified in the adjudication, pending formal action to be taken by the Water Master Board.
- Developed cooperatively by staff from MPWMD, Cal-Am, California Department of Fish and Wildlife (CDFW), and the National Marine Fisheries Service (NMFS).

# CAL-AM QUARTERLY WATER SUPPLY BUDGET: MAIN SYSTEM PRODUCTION TARGETS

## January to March 2015 Proposed Production Targets in Acre Feet for the Main System

SOURCE/USE	MONTH		
	Jan-15	Feb-15	Mar-15
<b><u>Source</u></b>			
Carmel Valley Aquifer			
Upper Subunits (Service)	0	0	0
Lower Subunits (Service)	686	635	739
ASR Diversion	<u>230</u>	<u>320</u>	<u>345</u>
<b>Total</b>	<b>916</b>	<b>955</b>	<b>1,084</b>
Seaside Groundwater Basin			
Coastal Subareas	100	100	100
Phase 1 and 2 ASR Recover	0	0	0
Sand City Desalination	<u>25</u>	<u>25</u>	<u>25</u>
<b>Total</b>	<b>125</b>	<b>125</b>	<b>125</b>
<b><u>Use</u></b>			
Customer Service	811	760	864
Phase 1 and 2 ASR Storage	<u>230</u>	<u>320</u>	<u>345</u>
<b>Total</b>	<b>1,041</b>	<b>1,080</b>	<b>1,209</b>

# CAL-AM QUARTERLY WATER SUPPLY BUDGET: LAGUNA SECA SUBAREA SYSTEMS PRODUCTION TARGETS

January to March 2015 Proposed Production Targets  
for the Satellite Systems in Acre Feet.

SOURCE/USE	MONTH		
	Jan-15	Feb-15	Mar-15
<b><u>Source</u></b>			
Seaside Groundwater Basin			
Laguna Seca Subarea	3	2	3
Other	0	0	0
<b><u>Use</u></b>			
Customer Service	3	2	3

# CALIFORNIA AMERICAN WATER QUARTERLY WATER SUPPLY BUDGET: January - March 2015

## Recommendation

- Adopt proposed water supply strategy and budget for Cal-Am's Main and Laguna Seca water distribution systems for the second quarter of Water Year 2015, the January - March 2015 period.





## UPDATED 2014 LOW FLOW SEASON TARGETS

- Compliance point moved from Sleepy Hollow Weir (SHW) to Below Los Padres Gage (BLP), due to San Clemente Dam Re-Route Project.
- Flow target reduced from 3.5 CFS @ SHW to 3.2 CFS @ BLP for September, and then to 2.7 followed by 2.5 CFS in October, then to 2.3 CFS in mid-November, and held there through late November.
- After rainfall improved LPD storage, flow targets were increased back to 2.7 CFS on November 25, then 5.1 CFS on December 5, 2014
- LPD spilled on December 7, followed by SCD on December 11, 2014.



# FOR MORE INFORMATION

Staff reports, ordinances and presentation materials can be found on the District's website at:

[www.mpwmd.net](http://www.mpwmd.net)

PowerPoint presentations will be posted on the website the day after the meeting.

ITEM: PUBLIC HEARING

REVISED

17. CONSIDER ADOPTION OF JANUARY THROUGH MARCH 2015  
QUARTERLY WATER SUPPLY STRATEGY AND BUDGET

Meeting Date:	December 15, 2014	Budgeted:	N/A
From:	Dave Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Kevan Urquhart & Jonathan Lear	Cost Estimate:	N/A

General Counsel Review: N/A

Committee Recommendation: N/A

CEQA Compliance: Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1)

ESA Compliance: Consistent with the September 2001 and February 2009 Conservation Agreements between the National Marine Fisheries Service and California American Water to minimize take of listed steelhead in the Carmel River and Consistent with SWRCB WR Order Nos. 95-10, 98-04, 2002-0002, and 2009-0060.

---

**SUMMARY:** The Board will accept public comment and take action on the January through March 2015 Quarterly Water Supply Strategy and Budget for California American Water's (Cal-Am's) Main and Laguna Seca Subarea Water Distribution Systems (WDS), which are within the Monterey Peninsula Water Resources System (MPWRS). The proposed budget, which is included as **Exhibits 17-A and 17-B**, shows monthly production by source of supply that is required to meet projected customer demand in Cal-Am's Main and Laguna Seca Subarea systems, i.e., Ryan Ranch, Bishop, and Hidden Hills, during the January through March 2015 period. The proposed strategy and budget is designed to maximize the long-term production potential and protect the environmental quality of the Seaside Groundwater and Carmel River Basins.

**Exhibit 17-A** shows the anticipated production by Cal-Am's Main system for each production source and the actual production values for the water year to date through the end of November 2014. Please note that the anticipated production values assume that Cal-Am's annual Main system production for Water Year (WY) 2015 will not exceed 12,196 acre-feet (AF), including 2,251 AF from the Coastal Subareas of the Seaside Groundwater Basin, 0 AF from ASR Phase 1 and 2 recovery, 300 AF from the Sand City Desalination Plant, and 9,645 AF from the Carmel River Basin. The total from the Carmel River Basin is consistent with State Water Resources Control Board (SWRCB) Order Nos. 95-10, 98-04, 2002-0002, and 2009-0060, and the total from the Seaside Groundwater Basin is consistent with the Seaside Basin adjudication decision. Both of these limits are subject to change, pending future regulatory actions. For the purpose of this budget, it is assumed that "dry" inflow conditions will occur through September 2015. This approach was taken despite the recent storms, due to the patterns of minimal rainfall to-date, and long-term weather forecasts that have not yet excluded the possibility of continuing drought.

**Exhibit 17-B** shows the anticipated production by Cal-Am's Laguna Seca Subarea systems for each production source, and the actual production values for WY 2015 to date through the end of November 2014. Please note that the anticipated production values assume that Cal-Am's annual Laguna Seca Subarea systems' production will not exceed 48 AF. This total is consistent with the Seaside Basin adjudication decision.

**RECOMMENDATION:** The Board should receive public input, close the Public Hearing, and discuss the proposed quarterly water supply budget. District staff recommends adoption of the proposed budget. The budget is described in greater detail in **Exhibit 17-C**, Quarterly Water Supply Strategy Report: January – March 2015.

**BACKGROUND:** The Quarterly Water Supply Strategy and Budget pertains to production within Cal-Am's Main and Laguna Seca Subarea systems for the three-month period of January, February, and March 2015. Staff from the District, Cal-Am, the California Department of Fish and Wildlife (CDFW), the National Marine Fisheries Services (NMFS), and the State Water Resources Control Board's Division of Water Rights (SWRCB-DWR) cooperatively developed this strategy on December 9, 2014. Based on current reservoir and Carmel Valley Alluvial Aquifer storage conditions, and the rainfall that has occurred to date, it was agreed that "dry" inflow conditions will be assumed to occur through September 2015.

To meet customer demand in its main system, Cal-Am will produce approximately 0 AF of groundwater from its wells in the Upper Carmel Valley during January, February, and March 2015. However, production from these upper valley sources is allowed when the Carmel River is not under "low flow period" conditions (i.e., greater than 20 cubic feet per second at the Don Juan Bridge station). Similarly, Cal-Am will produce approximately 916, 955, and 1,084 AF of groundwater from its wells in the Lower Carmel Valley during January, February, and March 2015, respectively. The permitted diversion season for ASR began again on December 1, which is during this first quarter of WY 2015. Diversions to storage for ASR Phase 1 and 2 will be conducted whenever flows in the river are legally adequate to do so. For planning purposes, staff had scheduled diversions to ASR storage in December, based on the long-term average diversion rate predicted by the Carmel Valley Simulation Model (CVSIM) for each month, and had scheduled 230, 320, and 345 AF for the three months of the second quarter, respectively.

It was also agreed that, subject to rainfall and runoff conditions in the Carmel River Basin, Cal-Am would continue to produce water from the Coastal Subareas of the Seaside Basin during this period, if necessary to meet system demand and facilitate ASR diversions to storage. Cal-Am projected production of native groundwater from the Seaside Basin was 100 AF in each of the months of January, February, and March 2015, respectively. There was also a projected goal of producing an additional 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months. In addition, it was also agreed that Cal-Am projected production of groundwater from its wells in the Laguna Seca Subarea for its customers in the Ryan Ranch, Bishop, and Hidden Hills systems would be 3, 2, and 3 AF during January, February, and March 2015, respectively. Lastly, it was agreed that Cal-Am would not divert any water from San Clemente Reservoir through the Carmel Valley Filter Plant during this quarter. Cal-Am will operate its wells in the Lower Carmel Valley in a downstream-to-upstream order. If actual natural river inflows are less than projected for the budget period, the group will

reconvene and adjust the LPD release rates accordingly.

Rule 101, Section B of the District Rules and Regulations requires that a Public Hearing be held at the time of determination of the District water supply management strategy. Adoption of the quarterly water supply strategy and budget is categorically exempt from the California Environmental Quality Act (CEQA) requirements as per Article 19, Section 15301 (Class 1). A Notice of Exemption will be filed with the Monterey County Clerk's office, pending Board action on this item.

**EXHIBITS**

- 17-A** Quarterly Water Supply Strategy and Budget for Cal-Am Main System: January – March 2015
- 17-B** Quarterly Water Supply Strategy and Budget for Cal-Am Subsystems: January – March 2015
- 17-C** Quarterly Water Supply Strategy and Budget Report: January – March 2015

## EXHIBIT 17-A

### California American Water Main Distribution System Quarterly Water Supply Strategy and Budget: January - March 2015

#### Proposed Production Targets by Source in Acre-Feet

SOURCE/USE	MONTH			YEAR-TO-DATE		
	Jan-15	Feb-15	Mar-15	Oct-14 - Nov-14	% of YTD	% of Annual Budget
<b>Source</b>						
Carmel Valley Aquifer						
Upper Subunits (Service)	0	0	0	0	0%	0%
Lower Subunits (Service)	686	635	739	1,173	93%	16%
ASR Diversion	<u>230</u>	<u>320</u>	<u>345</u>	0		
<b>Total</b>	916	955	1,084			
Seaside Groundwater Basin						
Coastal Subareas	100	100	100	428	61%	3%
Phase 1 and 2 ASR Recovery	0	0	0	0	0%	0%
Sand City Desalination	<u>25</u>	<u>25</u>	<u>25</u>	38	76%	13%
<b>Total</b>	125	125	125	466		
<b>Use</b>						
Customer Service	811	760	864	1,639		
Phase 1 and 2 ASR Storage	<u>230</u>	<u>320</u>	<u>345</u>	0		
<b>Total</b>	<b>1,041</b>	<b>1,080</b>	<b>1,209</b>	<b>1,639</b>		

Notes:

1. The budget reflects "Dry" inflow conditions and assumes that the monthly unimpaired inflows at the San Clemente Dam site during the December 2014 - March 2015 period will equal the 75% exceedence flows , i.e., 1,015, 2,571, 3,908 and 4,216 AF, respectively. The exceedence values are based on simulated flows for the 1902 - 2014 period of record.
2. The annual budget period corresponds to the Water Year, which begins on October 1 and ends on September 30 of the following Calendar Year.
3. Total monthly production for "Customer Service" in CAW's main system was calculated by multiplying total annual production (12,196 AF) times the average percentage of annual production for January, February and March (6.6%, 6.2%, and 7.1%, respectively). According to District Rule 162, the annual production total was based on the assumption that production from the Coastal Subareas of the Seaside Groundwater Basin would not exceed 2,251 AF and production from Carmel River sources, without adjustments for water produced from water resources projects, would not exceed 9,945 AF in WY 2015. The average production percentages were based on monthly data for customer service from WY 2006 to 2013.
4. Anticipated production for ASR injection is based on an average diversion rate of approximately 4,500 gallons per minute (gpm) or 19.9 AF per day from CAW's sources in the Carmel River Basin. This value is assumed in the event the WY becomes normal or wet through Mar 2015. "Total" monthly CAW "Use" includes water for customer service and water for injection into the Seaside Basin.
5. The production targets for CAW's wells in the Upper Subunits of the Carmel Valley Aquifer are set at 0, based on CAW's goal to avoid use of these wells, year round. However, production could be higher under existing State water rights and interagency operating agreements.
6. The production targets for CAW's wells in the Seaside Coastal Subareas are based on the assumption that sufficient flow will occur in the Carmel River at the targeted levels, to support ASR injection. It is planned that Coastal Subarea pumping will not occur, or will be proportionally reduced, if ASR injection does not occur at targeted levels.
7. The production targets for CAW's wells in the Seaside Coastal Subareas are based on the need for CAW to produce its full Standard Allocation during WY 2015 to be in compliance with SWRCB WRO No. 95-10.
8. It should be noted that monthly totals for Carmel Valley Aquifer sources may be different than those shown in MPWMD Rule 162, Table XV-3. These differences result from monthly target adjustments needed to be consistent with SWRCB WRO 98-04, which describes how Cal-Am Seaside Wellfield is to be used to offset production in Carmel Valley during low-flow periods. Adjustments are also made to the Quarterly Budgets to ensure that compliance is achieved on an annual basis with MPWMD Rule 162 totals.

**EXHIBIT 17-B**

**California American Water Highway 68 Distribution Systems  
Quarterly Water Supply Strategy and Budget: January - March 2015  
Proposed Production Targets by Source and Projected Use in Acre-Feet**

SOURCE/USE	MONTH			YEAR-TO-DATE		
	Jan-15	Feb-15	Mar-15	Oct-14 - Nov-14	% of YTD	% of Annual Budget
<b>Source</b>						
Seaside Groundwater Basin						
Laguna Seca Subarea	3	2	3	56	698.6%	116.4%
Other	0	0	0	0		
<b>Use</b>						
Customer Service	3	2	3			
<b>Total</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>56</b>		

Notes:

1. The annual budget period corresponds to the Water Year, which begins on October 1 and ends on September 30 of the following Calendar Year.
2. Total monthly production for "Customer Service" in CAW's Highway 68 systems was calculated by multiplying total annual production (147 AF) times the average percentage of annual production for January, February, and March (5.3%, 4.9%, and 5.9%, respectively). The annual production total was based on the assumption that production from the Laguna Seca Subarea of the Seaside Groundwater Basin would not exceed 48 AF. The average production percentages were based on monthly data for customer service from WY 2005 to 2013. The 48 AF annual production limit is based on procedures specified in the Seaside Basin Adjudication Decision.
3. It should be noted that, based on recent historical use, actual monthly use will likely exceed the proposed monthly production targets. In this context, the production targets represent the maximum monthly production that should occur so that CAW remains within its Standard Production Allocation for the Laguna Seca Subarea specified in the Seaside Decision. Accordingly, actual production beyond these production targets will be subject to replenishment assessment by the Seaside Basin Watermaster.
4. "Other" production sources refer to supplies transferred to Highway 68 customers from CAW's Carmel River sources, water rights acquired from other producers in the Seaside Basin, or supplies transferred from other systems outside of the Laguna Seca Subarea to produce additional water.
5. The production targets for CAW's wells in the Seaside Coastal Subareas are based on the need for CAW to produce its full Standard Allocation during WY 2014 to be in compliance with SWRCB WRO No. 95-10.
6. Year to date production numbers are estimated pending finalization of CAW production data.

## EXHIBIT 17-C

### **Quarterly Water Supply Strategy and Budget Report California American Water Main Water Distribution System: January – March 2015**

#### 1. Management Objectives

The Monterey Peninsula Water Management District (District) desires to maximize the long-term production potential and protect the environmental quality of the Carmel River and Seaside Groundwater Basins. In addition, the District desires to maximize the amount of water that can be diverted from the Carmel River Basin and injected into the Seaside Groundwater Basin while complying with the instream flow requirements recommended by the National Marine Fisheries Service (NMFS) to protect the Carmel River steelhead population. To accomplish these goals, a water supply strategy and budget for production within California American Water's (Cal-Am's) Main and Laguna Seca Subarea water distribution systems is reviewed quarterly to determine the optimal strategy for operations, given the current hydrologic and system conditions, and legal constraints on the sources and amounts of water to be produced.

#### 2. Quarterly Water Supply Strategy: January - March 2015

On December 9, 2014, staff from the District, Cal-Am, the California Department of Fish and Wildlife (CDFW), the National Marine Fisheries Services (NMFS), and the State Water Resources Control Board's Division of Water Rights (SWRCB-DWR) met and discussed the proposed water supply strategy and related topics for the remainder of December 2014 and the January-March 2015 period. Currently, flow in the Carmel River is unregulated. Los Padres Reservoir (LPR) spilled on December 7, 2014, followed by San Clemente Reservoir (SCR) on December 12, 2014. The SCR spilled much later as it had to fill the additional area excavated this year for the San Clemente Dam Removal and Reroute Project. The Los Padres Dam's notch flashboard has been removed in preparation for any potential higher flow periods that may allow smolt emigration. Flow in the Carmel River is continuous to the lagoon and the mouth has reopened after being closed since summer of 2013. Rainfall and unimpaired runoff information for WY 2015 to date, through November 2014 was 1.57 inches and 0 AF, respectively. These values are 48% and 100% below the mean year to date through November of the Water Year.

**Carmel River Basin** Given these conditions, long-term weather models, and early season runoff to date, it was agreed that "dry year" inflows would be initially assumed to assess Cal-Am's operations during the January through March 2015 period. To meet customer demand, Cal-Am would operate its wells in the Lower Carmel Valley in a downstream-to-upstream sequence, as needed. For the quarterly budget, it was agreed that Cal-Am would produce no groundwater from its wells in the Upper Carmel Valley during January through March 2015. If sufficient flow in the Carmel River at the District's Don Juan Bridge gage in Garland Park, i.e., 20 or more cubic feet per second (cfs), occurs to justify operations allowed under the less restrictive high-flow period, Cal-Am could operate these wells if needed. In addition, it was projected that Cal-Am would produce approximately 916, 955, and 1,084 AF of groundwater



## EXHIBIT 17-C

### **Quarterly Water Supply Strategy and Budget Report California American Water Main Water Distribution System: January – March 2015**

from its wells in the Lower Carmel Valley during January, February, and March 2015, respectively.

Releases from Los Padres Reservoir were averaging 4.80 CFS for the first 6 days of December until LPR filled and spilled on December 7, 2014. As of December 11, 2014, LPR was at 1,040.20 feet of surface elevation, 0.42 feet above the spillway. The Fish Ladder that serves the Trap and Truck, Fish Passage Facility at LPD is operational, and fish passage became feasible past SCD over its Fish Ladder on December 12, 2014. As of December 12, 2014, flow levels in the Carmel River are providing good downstream passage flows for juvenile steelhead below SCD, and there is inflow into the lagoon to improve its marginal water quality and minimal volume. Flows for adult and juvenile passage below SCD through December 11, 2014 had been inadequate, but recovered with the latest storms generating significant rainfall. November flow at the Sleepy Hollow Weir [RM 12.69] and Don Juan Bridge in Garland Park [RM 10.78] averaged 2.68 and 0.73 cfs, respectively, which was not enough to re-water the reaches that dried last summer, nor to provide additional flow and habitat in the lower Carmel River for resident juvenile steelhead. Due to the severely depressed flows of this third year of drought, the District's Sleepy Hollow Steelhead Rearing Facility was not operated, and all rescued fish were released upstream of RM 9.

Lastly, it was assumed that 230, 320, and 345 AF of groundwater would be diverted from the Carmel River Basin and injected into the Seaside Groundwater Basin during January, February, and March 2015, respectively. Because of the uncertainty in predicting future rainfall and runoff amounts, this assumption is subject to change in practice.

**Seaside Groundwater Basin** It was also agreed that, subject to rainfall and runoff conditions in the Carmel River Basin, Cal-Am would continue to produce water from the Coastal Subareas of the Seaside Basin during this period, if necessary to meet system demand and facilitate ASR diversions to storage. Cal-Am was projected to produce 100 AF of native groundwater from the Seaside Basin in each of the months of January, February, and March 2015, respectively. There was also a projected goal of producing an additional 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months. It was also agreed that Cal-Am would attempt to produce only 3, 2, and 3 AF of groundwater from its wells in the Laguna Seca Subarea of the Seaside Basin for customers in the Ryan Ranch, Bishop, and Hidden Hills systems during January, February, and March 2015, respectively. It is recognized that, based on recent historical use, Cal-Am's actual production from the Laguna Seca Subarea during this period will likely exceed the proposed monthly targets, which are based on Cal-Am's allocation specified in the Seaside Basin Adjudication Decision. For example, in the January through March 2014 period, Cal-Am produced 29, 19, and 24 AF from the Laguna Seca Subarea to meet customer demand in the Ryan Ranch, Bishop, and Hidden Hills systems. In this context, the

**EXHIBIT 17-C**

**Quarterly Water Supply Strategy and Budget Report  
California American Water  
Main Water Distribution System: January – March 2015**

production targets represent the maximum monthly production that should occur so that Cal-Am remains within its adjudicated allocation for the Laguna Seca Subarea. Under the amended Seaside Basin Decision, Cal-Am is allowed to use production savings in the Coastal Subareas to offset over-production in the Laguna Seca Subarea. However, production savings are likely no longer available with the restrictions imposed on Carmel River diversions by the State Water Resources Control Board's Water Rights Order No. 2009-0060 and the Seaside Basin adjudication decision reductions. No such savings were available in the last Water Year, 2014.



**ITEM 18: CONSIDER ADOPTION OF POLICY  
ON OUTDOOR RESTAURANT SEATING**

December 15, 2014

# Background

- Drought and the Cease and Desist Order (CDO) against California American Water (Cal-Am) necessitate careful management of our water supply
- Recent revitalization efforts in the cities of Monterey and Pacific Grove have focused attention on al fresco dining
- Historically, MPWMD has not required a Water Permit for outdoor seating

# Fundamental Policy Questions

- Does outdoor seating affect demand for water?  
*i.e. Who fills that seat and what was the customer going to do in the alternative?*
- Does a restaurant have “underutilized” capacity within its existing permit?
  - Is a new water permit needed?
- Water Demand Committee considered this item on December 5, 2014
  - Concluded that the District’s policy should be clarified

# Option 1

## Require new outdoor seating to obtain Water Permit

- “Grandfather” existing outdoor seating
  - Document existing seat counts if no Water Permit
- Require permits for future outdoor seating increases
  - Consider allowing a percentage of interior seats for outdoor use
  - Determine Water Use Capacity of outdoor seating
- Consider a future implementation date
- Address projects in progress
- Discuss Best Management Practices as offset

# Option 2

Require Water Permits for existing outdoor seating installed between 1985 & present

- Jurisdiction authorizes water from Allocation
- On-Site Water Credit to offset outdoor seats
- Demonstrate actual use within Water Use Capacity based on indoor seating
- Multiple problems associated with this option (*see pg. 137-138 of Board packet*)

# Option 3

## Maintain (but clarify) current practice

- No intensification in use
- Use is within existing Water Use Capacity
  - Seasonal and weather dependent
  - People choose to sit inside or outside
  - Restaurants do not operate at capacity every day
- Must clarify current practice regarding both permits and credits
- Potential issues related to extensive addition of outdoor seating and/or stand-alone business



# Recommendation

## Water Demand Committee recommendation:

- Allow future outdoor seating at 50 percent of the indoor seats with no Capacity Fee based on a finding that a limited number of outdoor seats do not affect the Water Use Capacity
- No Water Credit for removal of outdoor seats (unless permitted using a water Allocation or Water Credit)
- Apply prospectively to projects as of a specific date
- Technical Advisory Committee should develop definitions for “outdoor seating” and “dining enclosure” to clarify the difference between indoor and outdoor seating

# Recommendation (continued)

- Staff should investigate methods to ascertain seating counts at existing establishments where a Water Permit has not been issued
- Draft Ordinance to Water Demand Committee before Board consideration

# For More Information

Staff reports and presentation materials can be found on the District's website at:

[www.mpwmd.net](http://www.mpwmd.net)

PowerPoint presentations will be posted on the website the day after the meeting.

Submitted by staff  
at 12/15/14 Board  
meeting Item 18

**Coalition of Peninsula Businesses**

A coalition to resolve the Peninsula water challenge to  
comply with the CDO at a reasonable cost

*Members Include: Monterey County Hospitality Association, Monterey Commercial Property Owners' Association,  
Monterey Peninsula Chamber of Commerce, Carmel Chamber of Commerce, Pacific Grove Chamber of Commerce,  
Monterey County Association of Realtors, Associated General Contractors-Monterey Division, Community Hospital of the  
Monterey Peninsula*

RECEIVED

December 15, 2014

DEC 15 2014

MPWMD

Honorable Dave Potter, Chair, and Members of the Board  
Monterey Peninsula Water Management District  
5 Harris Court, Building G  
Monterey, California 93942-0085

Transmitted by fax to: 831-644-9560

Re: position on outdoor seating policy discussion

Dear Chair Potter and members, Monterey Peninsula Water Management District Board:

After productive discussions with the Water Demand Committee and staff, the Coalition of Peninsula Businesses developed a position on outdoor seating that incorporates a compromise if these discussions continue towards a formal policy by MPWMD. Our position currently is that there is no need for a water allocation formula for outside seating at this time.

We urge the Board to consider the Coalition of Peninsula Businesses position.



John Narigi, Co-chair



Mike Zimmerman, Co-chair

## **Coalition of Peninsula Businesses**

A coalition to resolve the Peninsula water challenge to  
comply with the CDO at a reasonable cost

*Members Include: Monterey County Hospitality Association, Monterey Commercial Property Owners' Association, Monterey Peninsula Chamber of Commerce, Carmel Chamber of Commerce, Pacific Grove Chamber of Commerce, Monterey County Association of Realtors, Associated General Contractors-Monterey Division, Community Hospital of the Monterey Peninsula*

### **Position on Outdoor Seating Regulation**

The Coalition of Peninsula Businesses opposes efforts to regulate or otherwise impede establishment of outdoor seating in food establishments based on water use, or any attempt to go "backward" on regulating outdoor seating. The Coalition views the establishment and existence of outdoor seating as a means to attract customers and to accommodate changing customer preferences, not as a means to increase overall patronage and therefore overall water use.

Those who favor adding restrictions on outdoor seating or going backward and regulating existing outdoor seating have not met the burden of proof for any changes. In the past, outdoor seating was ignored because it is mostly seasonal. For the most part, it still is. Changing customer preferences accounts for much of the interest in outdoor seating; a customer will not sit outside and inside at the same time. No data has been produced showing outdoor seating increases water demand by location yet it has been offered on the Peninsula for over twenty years.

To the contrary, a brief survey by the Coalition clearly shows that water use by restaurants offering outdoor seating is well below the water allocations assigned to the establishment by the Monterey Peninsula Water Management District, sometimes dramatically below the allocation. Several cases in point are these: a popular establishment on Cannery Row that serves lunch, dinner and drinks uses only 51% of its water allocation in spite of plentiful outdoor seating; another establishment in Monterey that serves breakfast and dinner has more than sufficient indoor seats to accommodate all its indoor and outdoor business year 'round; and a local hotel with indoor and outdoor seating experiences fluctuations in outdoor seating based on weather (when the weather is nice outdoor seats are full and indoor seats are not at capacity).

The bottom line is this: creation of a seat does not increase water demand in existing operations.

A review of non-residential water use shows that under the new system of rates based on best management practices, the overwhelming majority of use falls in the first tier. Water consumption on the Peninsula is slightly below 50 gallons per day per person, a record low, so there is truly no need to regulate outdoor seating.

Given discussions with interested parties, the Coalition in an effort to close this topic, would agree to discuss the following suggested policy and all details pertaining to prior to adoption by MPWMD:

- All existing establishments that have outside seating will be grandfathered in. No request for reduction in current seats, no additional fees.
- Restaurants in future requesting outside seating will be allowed to add up to 50% of their total current seating with no additional fees. Those requesting additional outside seating over the 50% should receive a reduced fee if one is required.
- Public access areas and all temporary exterior seating to be excluded.

Submitted by staff  
at 12/15/14 Board  
meeting.  
Item 18



RECEIVED

DEC 15 2014

MPWMD

December 13, 2014

Honorable Dave Potter, Chair, and Members of the Board  
Monterey Peninsula Water Management District  
5 Harris Court, Building G  
Monterey, California 93942-0085

Re: Agenda Item 18 Outdoor Seating for Restaurants

Dear Chair Potter and Members of the Board:

The Monterey County Hospitality Association supports the Coalition of Peninsula Businesses' Position Statement on Outdoor Seating Regulations. MCHA is very concerned with any potential regulation that might unnecessarily constrain the efforts of restaurants and similar entities to modify their business practices to meet the needs and desires of their customers when there is no evidence that those modifications also increase water use.

MCHA representatives along with representatives of the Coalition and Chambers of Commerce attended the last meeting of the Water Demand Committee and presented data from a brief survey showing that not only does outdoor seating not impact water use but that the facilities' overall water use was below their District allocation. If the Board chooses to proceed we believe that the Committee and staff recommendations to develop clear prospective regulations that would allow for 50% of indoor seating to be added as outdoor seating are the appropriate next steps in the process. MCHA will continue to work with the staff and Board on this issue to reach a mutually beneficial solution.

Sincerely,

Sam Teel, Chair  
Monterey County Hospitality Association

ADMINISTRATIVE OFFICE

OCEAN & MISSION • SUITE 201 • P.O. BOX 223542 • CARMEL, CA • 93922  
PHONE: 831-626-8636 • FAX: 831-626-4269 • EMAIL: badams@adcomm4.com

ITEM: ACTION ITEM

Revised 12/11/2014

**19. SELECT SCHEDULE FOR ROTATION OF DIRECTORS INTO THE POSITIONS OF BOARD CHAIR AND VICE CHAIR**

<b>Meeting Date:</b>	<b>December 15, 2014</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>David J. Stoldt</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review:** N/A  
**Committee Recommendation:** N/A  
**CEQA Compliance:** N/A

---

**SUMMARY:** Board leadership rotation is governed by Rule 2.5 of the District's Meeting Rules (Part 1: General Rules). Stated simply, annually the Vice Chair becomes the new Chair and the new Vice Chair is selected by rotation through Directors' Divisions 1-5 and then the two appointed Directors, repeating. Two issues have arisen regarding the rotation as established: (a) because Divisions 1-2 stand for election at the same time and Divisions 3-5 stand for election at the same time, there is a risk that an incoming Chair, Vice Chair, or both could be newly elected and have insufficient experience, and (b) once every rotation there will be a situation where neither the Chair nor Vice Chair are directly elected to the District board.

This year there is some confusion on interpreting Rule 2.5. General Counsel points out that the language of the Rule states "the Vice-Chair shall be elected Chair" which, in this case is Director Markey. However, at the October Board meeting Director Markey was appointed Vice-Chair to fill out the remainder of Director Thayer's term for two months on an interim basis. Normally, at this time the rotation for 2015 would have resulted in Division 2 Director Clarke moving into the Chair position. However, the Division 2 Director could not serve as the new Chair due to a lack of experience under Rule 2.5, thus requiring an election of a Chair for the year from among the other Directors.

Additionally, Director Lewis who declined the Chair position due to health concerns last year has expressed interest in serving as Chair for 2015. Existing Rule 2.5 language states that "The declining Director shall have an opportunity to serve once the entire rotation schedule is complete and has returned to the Division that opted-out."

Due to these circumstances, the Board should consider action to be taken for the current year and determine if it desires to realign the rotation at this time.

**RECOMMENDATION:** The Rules and Regulations Committee met on December 9, 2014 and recommends the Board suspend the existing Rule 2.5 and amend the Rule to adopt a rotation to be revised as follows:

**2015**

- Div. 1 - Lewis (Chair)
- Div. 4 - Byrne (Vice Chair)
- Mayor Appointee - Pendergrass
- Div. 5 - Brower
- Div. 2 - Clarke
- Supervisor Appointee - Potter
- Div. 3 - Markey

If Rule 2.5 is not suspended and General Counsel's interpretation is followed, Director Markey would be elected Chair. If the Board does so and also determines it desires to keep the existing rotation intact, then the rotation would be as follows:

**2015**

- Div. 3 - Markey (Chair)
- Div. 4 - Byrne (Vice Chair)
- Div. 5 - Brower
- Supervisor Appointee - Potter
- Mayor Appointee - Pendergrass
- Div. 1 - Lewis
- Div. 2 - Clarke

The Board should determine whether (a) it will suspend Rule 2.5, adopt an amended rotation and confirm the action under agenda item 20 (b) follow General Counsel's interpretation and proceed to agenda item 20, or (c) some other approach.

**EXHIBIT**

**19-A** MPWMD Meeting Rule 2.5



## EXHIBIT 19-A

### **RULE 2.5: ROTATION OF VICE CHAIR INTO THE POSITION OF CHAIR**

The Board shall rotate its leadership among the seven (7) members. To encourage rotation of the Chair, each December when the annual election of Board officers is conducted, or when a vacancy in the position of Chair occurs, the Vice-Chair shall be elected as Chair. Beginning in December 2013, the following rotation shall be used to select the next Vice-Chair.

Division 2 Director  
Division 3 Director  
Division 4 Director  
Division 5 Director  
Monterey County Board of Supervisors Representative  
Mayoral Representative  
Division 1 Director

Thereafter, the rotation shall return to the top of this list.

Should the current Vice Chair decline to serve as incoming Chair, the Board shall select the Director next in rotation to serve as Chair. Should the Director next in rotation for the position of Vice Chair decline to serve in that capacity, the Board shall select the next Director in rotation to serve as Vice Chair. The declining Director shall have an opportunity to serve once the entire rotation schedule is complete and has returned to the Division that opted-out. If the Chair has served less than 12 months at the time the annual December election of Board officers is conducted, the Board shall, by majority vote, elect a Chair to serve for that year, and thereafter the Chair rotation shall return to where it had left off.