

EXHIBIT 10-B

MPWMD Rule 23-A-1-i

- i. Water Meters maintained by the Water Distribution System Operator shall be installed for each Residential and Non-Residential water User except as allowed in 23-A-1-i-(3), (4), (5), and (6).
- (1) A Non-Residential User may extend water use to another Non-Residential User within an existing structure unless the Remodel or Addition requires a Water Permit for a Change of Use (as defined in Rule 11).
 - (2) A Change of Use as defined in Rule 11 shall trigger the requirement for a separate Water Meter.
 - (3) Users of multiple structures on a Site occupied by one Non-Residential User may apply for a variance of this Rule.
 - (4) The General Manager shall allow sub-metering for each Multi-Family Dwelling (including condominiums and Common Interest Developments), Mixed Use, or Non-Residential User when the installation of separate Water Meters is not feasible and the User is utilizing Water Credits or an Entitlement on a Site that has a Connection. Applications for sub-metering of Single Family Dwellings will be considered by the General Manager when the Jurisdiction confirms there is no potential that the sub-metered User could be located on a separate Site through subdivision or transfer of ownership of a portion of the Site. Approval of a Water Permit allowing sub-metering under this provision shall require recordation of a deed restriction on the title of the property that shall encumber current and future Site owners to comply with the following conditions:
 - a. Site's owner shall have Water Meters installed for each sub-metered User by the Water Distribution System Operator within ninety (90) days of the conclusion of a Connection moratorium. Once Water Meters maintained by the Water Distribution System Operator have been installed, the deed restriction shall be removed;
 - b. Annually at the conclusion of the Water Year, and within 30 days of change in tenancy, the Site's owner shall provide the General Manager with individual monthly consumption for each User in a format acceptable to the District. Information shall identify the User of the sub-meter (e.g. apartment number or lease space number) and

the number of residents in each Residential Dwelling Unit or the type of use according to Rule 24, Table 2, for each Non-Residential User;

- c. During Stages of *The 2016 Monterey Peninsula Water Conservation and Rationing Plan* (Regulation XV), sub-metered consumption shall be provided to the District monthly or more frequently if requested by the General Manager;

(5) The Board shall consider variances to this Rule when the installation of separate Water Measuring Devices is not feasible due to Special Circumstances. In considering a variance, the Board shall determine if another type of Water Measuring Device is appropriate and shall make reporting of consumption a condition of approval.

- (6) The General Manager shall allow permanent sub-metering of all water use into one Accessory Dwelling Unit. An Accessory Dwelling Unit contained within the existing space of a single-family residence or accessory structure (e.g., studio, pool house or other similar structure) shall be exempt from the sub-metering requirement. Sub-metering is, however, encouraged as a conservation tool that promotes the efficient use of water. The sub-metering requirement or sub-metering exemption will be considered by the General Manager when the Jurisdiction confirms there is no potential that the sub-metered User could be located on a separate Site through subdivision or transfer of ownership of a portion of the Site.