

This meeting is not subject to
Brown Act noticing requirements.
The agenda is subject to change.



**Water Demand
Committee Members:**

*Andy Clarke, Chair
Jeanne Byrne
Molly Evans*

Alternate:

Brenda Lewis

Staff Contact

*Stephanie Locke
Arlene Tavani*

*After staff reports have
been distributed, if
additional documents are
produced by the District
and provided to the
Committee regarding any
item on the agenda, they
will be made available at
5 Harris Court, Building
G, Monterey, CA during
normal business hours.
In addition, such
documents may be posted
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the meeting will be made
available in the same
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AGENDA

**Water Demand Committee
Of the Monterey Peninsula Water Management District**

Wednesday, April 18, 2018, 3:30 PM
District Conference Room, 5 Harris Court, Building G, Monterey, CA

Call to Order

Comments from Public - *The public may comment on any item within the District's jurisdiction. Please limit your comments to three minutes in length.*

Action Items -- *Public comment will be received.*

1. Consider Adoption of November 20, 2017 Committee Meeting Minutes

Discussion Items – *Public comment will be received.*

2. Discuss Group I and Group II Non-Residential Water Use Factors
3. Discuss Conservation Offset Program
4. Discuss Fire Service Requirement

Set Next Meeting Date

Adjournment

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WATER DEMAND COMMITTEE

ITEM: ACTION ITEM

1. CONSIDER ADOPTION OF NOVEMBER 20, 2017 COMMITTEE MEETING MINUTES

Meeting Date: April 18, 2018

From: David J. Stoldt,
General Manager

Prepared By: Arlene Tavani

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: Attached as **Exhibit 1-A** are draft minutes of the November 20, 2017 Water Demand committee meeting.

RECOMMENDATION: The committee should adopt the minutes by motion.

EXHIBIT

1-A Draft Minutes of the November 20, 2017 Water Demand Committee Meeting



EXHIBIT 1-A

DRAFT MINUTES Water Demand Committee of the Monterey Peninsula Water Management District *November 20, 2017*

Call to Order

The meeting was called to order at 4:00 pm in the MPWMD conference room.

Committee members present: Molly Evans, Chair
Jeanne Byrne
Andy Clarke

Committee members absent: None

Staff members present: David Stoldt, General Manager
Stephanie Locke, Water Demand Division Manager
Stephanie Kister, Conservation Analyst
Arlene Tavani, Executive Assistant

District Council present: David Laredo

Comments from the Public: No comments.

Action Items

1. Consider Adoption of September 28, 2017 Committee Meeting Minutes
On a motion by Byrne and second of Clarke, minutes of the September 28, 2017 committee meeting were adopted unanimously on a vote of 3 – 0 by Byrne, Clarke and Evans.

2. Consider Amendments to Table 2: Non Residential Water Use Factors – Standalone Bar Uses and Wine Tasting Rooms
Motion #1 – Byrne offered a motion that was seconded by Clarke to move out of Group III the category of “bar” that does not serve food, and move it into Group II. Also, a separate discussion would be conducted on the issue of moving some wine tasting businesses from Group I into Group II. The motion was approved on a vote of 3 – 0 by Byrne, Clarke and Evans.

Motion #2 – Byrne offered a motion that was seconded by Clarke that the category “Wine Tasting Room” should remain in Group I. The motion was approved on a vote of 3 – 0 by Byrne, Clarke and Evans.

The committee members' comments are as follows. (a) There is no advantage to moving wine tasting out of Group I into Group II. (b) Tasting room could be described as a bar that does not serve food. (c) The word "Wine" could be removed and only the words "Tasting Room" listed, as this category would cover beer or wine tasting. (e) Group I would be just tasting; Group II would be minor food service (no cooking); and Group III would be full restaurant and bar.

The following comments were directed to the committee during the public comment period on this item. (a) **Christine Kemp**, an attorney with Noland, Hamerly, Etienne and Hoss, representing the Wine House and owners Charlotte Beshoff Joyce and Russell Joyce. She explained that their business had been categorized as a restaurant bar in Group III, but no food would be prepared on the premises, so they requested that the use be moved to Group II. (b) **Doug Wheeley**, of Foothill Partners, landlord for the Fieldwork Brewing Beer Garden. He stated that Fieldwork served beer brewed in Berkeley. No food was prepared or served on site. Neither were cocktails prepared or served. A small, high speed glassware dishwasher was in use. The site was permitted as a Group III use, bar and restaurant. He stated that Fieldwork used less water than Peet's Coffee and Chipotle which were Group II uses. He stated that Fieldwork should not be categorized as a Group III use. (c) **Fabrice Rondia** who was in the process of opening a beer tasting room in Monterey. He was advised by the Water Management District that instead of being permitted under a Group I use, there might be a change in rules that would permit his project as a Group II use. He stated that a tasting room provided only tasting, retail, and consumption. His establishment was not a bar. He recommended that the committee conduct a review of the water use factors. (d) **Russell Joyce**, owner of Joyce Winery, stated that in nine out of ten tasting rooms only 1 glass was used during a tasting. Tasting rooms should be permitted under the lowest water use category. He asked if permit holders would be grandfathered in under the current rules, or would they need to update their permits should tasting rooms be moved from a Group 1 use to Group II. (e) **Charlotte Beshoff** stated that a tasting room that served only wine, beer and plated cheeses and meats (not prepared on site) would not incur the same water use as a restaurant. The Wine House would not serve cocktails, neither was a stove nor oven on site. She emphasized that the Wine House would not be the same type of business as a hotel bar. (f) **Christine Kemp** noted that her clients' request was to be moved from a Group III use to Group II. She requested that the committee make a decision on that request first, and then consider the request related to moving Group II uses to Group I.

Discussion Items

3. Develop Rules that would Promote a Reduction in Use of Disposable Tableware at Restaurants

The committee discussed this issue and provided comments to staff. (a) The concern was that some Group II restaurants were required to serve food on disposable tableware, which resulted in more material going to the landfill. (b) Suggest that these businesses could switch to reusable tableware if a water efficient dishwasher were installed. (c) Could require that all cooking pots and utensils be cleaned in a water efficient dishwasher. (d) Business owners should be aware that under a Group II use, high moisture content foods and liquids could be served in reusable containers.

Set Next Meeting Date: A meeting will be scheduled in late January 2017. The date was not specified.

Adjournment: The meeting was adjourned at 5:00 pm.

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WATER DEMAND COMMITTEE

2. DISCUSS GROUP I AND GROUP II NON-RESIDENTIAL WATER USE FACTORS

Meeting Date:	April 18, 2018	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Stephanie Locke	Cost Estimate:	N/A

Committee Recommendation: N/A

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378

SUMMARY: At the March 2018 Board meeting, a juice bar applicant made the argument to the Board that because of their water efficient business practices (pre-made/mixed/prepared beverages, no ice maker, dishes, etc.) they should be classified as Group I rather than Group II. Group II uses traditionally have included any business that serves food or drinks for on or off-Site consumption and that is not a full-service restaurant¹. Over the years, the differences between Group II uses and restaurants has somewhat blurred, presenting the question of when is a deli/bakery/coffee house (or similar use) a restaurant? Staff needs direction on when a Group II use should be placed into Group I, and when does a Group II use become a restaurant (MPWMD may want to adopt a definition) and therefore Group III.

Another blurring between Group I and Group II uses has occurred at the tasting rooms. Tasting rooms initially were small businesses (at least on the Monterey Peninsula) that offered tastes (2 ounce or less pours) of their (usually non-water) product with the goal of getting the customer to sign up for the wine club and purchase product for off-site consumption. More recently (e.g., in the past 10-15 years), tasting rooms have enlarged and many are outdoor oriented. They have turned into a social venue similar to bars where patrons can sit in comfortable chairs and enjoy multiple glasses of wine (or bottles) and food (usually deli-like selections or brought in from a neighboring restaurant) while playing games, enjoying live entertainment, or participating in other activities, such as art classes. Tasting rooms are not limited to wine: Beer, juice, tea, and spirit businesses have opened tasting rooms. Should the District differentiate its permit process between a tasting room that operates the “old way” and tasting rooms that attract patrons for social purposes? Or, should the District continue to keep tasting rooms in Group I, but include the indoor and outdoor area (as permitted on the ABC license) in the Capacity calculation?

¹ The District does not have a definition for a “full service restaurant.” Full service restaurants generally have a broad menu along with table service and a wait staff. These establishments offer meals and snacks for immediate consumption primarily on-premise, though they may also offer takeout service. Water use in a full service restaurant occurs primarily in the kitchen, although customers are served water, use the restrooms, and water is needed for cleaning.

Another area of discussion is “Family Grocery,” “Supermarket,” and “Convenience Store.” These businesses are all currently Group I, but there are many instances where there is food preparation, hot and cold food buffets, and coffee and drink service – activities that would result in Group II designation if on a stand-alone basis.

During the public hearing on March 14, 2018, Jeff Davi suggested that the District revisit the Group I and Group II factors and consider combining them. Discussion on this concept may be appropriate given the District’s requirements for all Non-Residential uses to implement efficiency requirements by 2014.

RECOMMENDATION: The Water Demand Committee should discuss the Group I and Group II factors, a possible definition for full service restaurants, the concept of combining Group I and Group II, and, if they are combined, how best to establish on-site credit for existing businesses.

DISCUSSION: When processing a Water Permit or establishing a Water Use Credit or Water Credit, MPWMD utilizes Non-Residential water use factors based on square-footage or other factors (i.e., restaurant seats, hotel rooms, etc.) to establish a one-time estimate of a project’s water usage or Water Use Capacity². The factors are based on average water consumption for similar types of businesses. Low water use per square footage businesses are “Group I”, higher uses per square footage businesses are “Group II”, and “Group III” is made up of businesses that have unique factors, such as restaurants (seats) and hotels (rooms). The Capacity calculation is also used to assess the District’s Capacity Fee and to ascertain that sufficient water credit is available on a Site or from a Jurisdiction’s Allocation to meet the project’s water needs, as required by the District’s Water Allocation Program Environmental Impact Report.

Prior to 1993, the District used 56 unique water factors and did not debit an Allocation when a Water Permit was issued. In 1993, following adoption of the Water Allocation Program Environmental Impact Report and at the request of the District’s Citizen’s Financial Advisory Committee, the factors were grouped into categories that reflected similar types of water use to allow for some flexibility when changing tenants. Prior to that, a change in tenants often required additional water from a Jurisdiction. For example, to issue a Water Permit for a Change of Use from retail to an office, the applicant had to obtain a water Allocation from the Jurisdiction and pay fees. By grouping the uses, administration of Water Permits for Non-Residential Changes in Use was streamlined, and tenants with similar water needs did not require a Water Permit.

From a permitting perspective, the concept of combining Group I and Group II is intriguing. The current process of making a square peg (Group II) fit into a round hole (Group I) due to the lack of water in an Allocation or credit is getting tedious. To do so, an applicant must often undertake extreme and expensive retrofits or modified operating plans which are time consuming to verify and enforce. Since Water Year 2007, water use in the commercial sector has decreased by 35% (1,557 AF), primarily as a result of installing water efficient fixtures, appliances, and landscapes. Many of the current factors do not reflect these changes.

When the District allows a business to reduce its water footprint by unusual means, it creates an enforcement problem. Although the District routinely records notices on the property title that

² “Water Use Capacity” is defined as “the maximum potential water use which theoretically may occur, based on average water use data for similar structures and uses in the Monterey Peninsula region, as shown by projected water use tables set forth in Rule 24.” (MPWMD Rule 11, Definitions)

explain the conditions of the Water Permit, this information does not always get conveyed to the tenant. In addition, business practices and ownership/management change, fixtures and appliances are replaced. The simpler the process, the easier it is to maintain compliance with Water Permit conditions.

In considering the information provided in this report, the Committee should keep in mind the types of food/beverage businesses in the Group II category. The varies widely. In 2017, staff reviewed coffee house water use and found that consumption in nationally/regionally recognized chain stores (i.e., Starbucks and Peets) is significantly higher than local chains or independent businesses.

EXHIBIT

None

WATER DEMAND COMMITTEE

DISCUSSION ITEM

3. DISCUSS CONSERVATION OFFSET PROGRAM

Meeting Date: April 18, 2018 **Budgeted:** N/A

From: David J. Stoldt **Program/** N/A
General Manager **Line Item No.:**

Prepared By: David J. Stoldt **Cost Estimate:** N/A

General Counsel Approval: N/A

Committee Recommendation:

CEQA Compliance: Action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: At its November 20, 2017 meeting, the Water Demand Committee directed staff to begin to determine basic provisions of a water conservation offset program. An offset program would allow a developer of a proposed project in a jurisdiction where an allocation of water is unavailable to invest in conservation savings elsewhere and use the credit created to “offset” the required water for the proposed development. At the meeting, the Committee stated its preference for a program where actual savings will occur, rather than paying into a mitigation bank to help pay for programs by the District to occur sometime in the future.

Several communities have water conservation offset policies (see **Exhibit 3-A**, attached.) In fact, the District has envisioned such a program in its Rule 24. Section E of Rule 24 covers “Special Circumstances” and subsection 6.k. states what is expected of a developer if a project fails to stay under its calculated Water Use Capacity limit: “*Water use will be reviewed annually after occupancy. If actual water use exceeds the preliminary Water Use Capacity estimate during any annual review, the District will debit the Jurisdiction’s Allocation for the difference. At the end of the monitoring period, if the average annual water use exceeds the preliminary Water Use Capacity estimate, the District will determine whether the Jurisdiction shall transfer some of its Allocation to the Project, or whether the Applicant shall pay the cost of District-approved water conservation projects within the District or on the Project Site to establish Water Use Credits to offset the increased increment of water needed by the Project.*” (emphasis added) To date, the District has not formalized a process for how it would approve such projects.

The Committee should discuss the following:

- Project specifications: Should the project be District designed, developer designed, or either?
- Offset or credit ratio: Level of savings required for the credit generated should be considered. Most programs are 1:1, but Soquel Creek is 1.6:1 and some programs are 2:1.

The District has traditionally looked to 15% retirement for the benefit of the river and recently sought an additional 10% from the Pacific Grove entitlement for the benefit of a District Reserve.

- Permanence: Over what lifespan should offset benefits accrue? How should proposed projects that do not achieve that lifespan be evaluated?
- Additionality: A project must create new water savings or supply that would not/is not expected to have happened anyway, either through District conservation programs, building code changes, expected customer behavior, etc. How would this be determined?
- Measurability: The water savings or supply from a project should be able to be quantified. The most effective way of quantifying water savings is by metering. However, water savings/supply estimates that rely on the District's Table 1 "Residential Fixture Unit Count Values" and Table 2 "Non-Residential Water Use Factors" would be more consistent with current District practice.

EXHIBIT

3-A Examples of Water Conservation Offset Policies

Table 1: Summary of Water Demand Offset Policies Identified in the United States, as of January 2015

Community or Water Provider	Type of Policy	Year Began	Offset or Credit Ratio	Offset Fees or Cost In Lieu of Retrofits¹	New Development Demand Methodology	Savings Estimation Methodology	2010 Census Population²
Cambria Community Services District, California	Water demand offsets for new development	2003	1:1	Based on cost to implement programs	Based on Board approved methodology and the Cambria Community Services District's retrofit points equivalency table		6,032
Town of Danvers, Massachusetts	Fees collected for new development to fund efficiency programs	2008	2:1	Variable (\$1,980 per one bedroom unit for residential, \$9/gallons per day for commercial)	For commercial: Massachusetts Title 5, 314 CMR 7.15: Calculation of Flows	Not applicable	26,493
East Bay Municipal Utility District, California	Water demand offsets for new developments requiring annexation by EBMUD	1993	Project specific				1,300,000 ³
City of Lompoc, California	Water demand offsets for new development	1990	1:1	In lieu fee suspended as of 2010	General estimate of 94,627 gallons per year per new home	12,904 gallons per year per household retrofit	42,434
Monterey Peninsula Water Management District, California	Water use credits for expanded use of existing residential and nonresidential connections	1992	1:1	Water use credits are earned through on-site efforts. In some cases a water use credit may be transferred.	For existing connections only. Uses fixture unit count values for residential and water use factors for non-residential in MPWMD Rule 24.	MPWMD Rule 25.5 - Table 4: High Efficiency Appliance Credits	104,129
City of Morro Bay, California	Water demand offsets for new development	1985	2:1	No fee option, must perform retrofits	Water equivalency units	Estimated by the planning director	10,234

(continued on next page)

Community or Water Provider	Type of Policy	Year Began	Offset or Credit Ratio	Offset Fees or Cost In Lieu of Retrofits ¹	New Development Demand Methodology	Savings Estimation Methodology	2010 Census Population ²
City of Napa, California	Water demand offsets for new development and increased demand of existing connections	1991	1:1	Cost of retrofits plus staff time	Determined by the Water Department		76,915
City of St. Helena, California	Water demand offsets for new development	1994	1:1	Cost of retrofits plus staff time	Residential developments: set number of retrofits based on number of units being built; nonresidential developments: water demand is evaluated by the director of public works and assigned retrofits based on water use factors		5,814
County of San Luis Obispo, California Paso Robles Groundwater Basin Los Osos Groundwater Basin Nipomo Mesa Conservation Area	Water demand offsets for new development and expanded use of existing well users in three parts of unincorporated San Luis Obispo County.	<u>Paso Robles</u> 2012 and 2013 <u>Los Osos</u> 2008 <u>Nipomo Mesa</u> 2008	<u>Paso Robles</u> 2:1 and 1:1 (two policies) <u>Los Osos</u> 2:1 <u>Nipomo Mesa</u> Retrofit 5 existing homes to offset 1 new SF structure	<u>Paso Robles</u> ~\$23 per gallon per household per day (gphd) <u>Los Osos</u> No fee option <u>Nipomo Mesa</u> \$750 for each toilet in new structure, or \$1500 to = retrofit of 5 existing homes	Based on local planning assumptions. Please see the section on San Luis Obispo County, California for more details.		<u>Paso Robles</u> ~78,000 ⁴ <u>Los Osos</u> 14,276 <u>Nipomo Mesa</u> 16,714
City of Santa Fe, New Mexico	Water demand offset for new development projects via credits or water rights transfer	2002	1:1 + 9.8%	\$16,600/ acre-foot per year to purchase from water bank	Water budget approved by the Water Budget Administrative Office	Water conservation credit program, when applicable	67,947

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Community or Water Provider	Type of Policy	Year Began	Offset or Credit Ratio	Offset Fees or Cost In Lieu of Retrofits ¹	New Development Demand Methodology	Savings Estimation Methodology	2010 Census Population ²
City of Santa Monica, California	Water demand mitigation fee to offset the water use of new development or increased demand of existing connections	1991	1:1	\$3.00/gallon per day	Fees are based on a fee schedule for single-family and multifamily development. Nonresidential development fee is determined by the city.		89,736
The Soquel Creek Water District, California	Water demand offsets for new development and increased demand of existing connections	2003	2:1	No fee option from 2003 through June 2014; now it is a fee only option at a cost of \$55,000/acre-foot per year	Water use factors	Credits based on toilet replacements from 2003 through June 2014, after which the program became strictly fee based	37,720 ⁵
Town of Weymouth, Massachusetts	Water demand offsets for new development	Unknown	2:1	\$10/gallon ⁶	Massachusetts Title 5, 314 CMR 7.15: Calculation of Flows	Unknown	53,743

1. Costs will vary if developers are allowed, or required, to perform retrofits.

2. Community census population, not service area population except where noted.

3. Current estimated service area population.

4. Calculated based on total county population and percent of county population overlying the basin.

5. 2010 service area population from 2010 UWMP.

6. Unknown if this is gallons per day, gallons per year, or other specification.

WATER DEMAND COMMITTEE

ITEM: DISCUSSION ITEM

4. DISCUSS FIRE SERVICE REQUIREMENT

Meeting Date: April 18, 2018 **Budgeted:** N/A

From: David J. Stoldt,
General Manager **Program/
Line Item No.:** N/A

Prepared By: Stephanie Locke **Cost Estimate:** N/A

General Counsel Review: N/A

Committee Recommendation: N/A

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378

SUMMARY: Rule 23 requires that all New Structures¹ receiving a Water Permit after January 1, 2009, have separate water supply lines that tee off after the Water Meter to supply fire suppression service and domestic service as demonstrated in Figure 23-1 (**Exhibit 4-A**), unless the User has separate Water Meters maintained by the Water Distribution System Operator for fire and domestic services. This requirement was added in 2009 after rationing enforcement discussions with Cal-Am identified a potential issue regarding installation of flow restrictors in water lines that also served sprinkler (fire suppression) systems (**Exhibit 4-B**). Prior to adoption of the tee off at the meter box, staff met with representatives of all of the fire departments to agree on the methodology.

Since 2009, there have been numerous instances where the tee off has not been completed and the sprinkler systems tee off the main water line at the house. As time has passed, some of those knowledgeable about the District's requirement have left their jobs, and the information was not passed along, which in turn was not communicated to the contractor or applicant. In other cases, there have been hardships where the water line runs through other people's property (**Exhibit 4-C**). In Canada Woods Water Company, infrastructure was installed that precludes the fire service split at the Connection (**Exhibit 4-D**).

RECOMMENDATION: Staff would like the Water Demand Committee to discuss whether the current requirement should be continued or whether it be changed to optional. The installation of flow restrictors during rationing is a last effort, and the District has adopted an extensive enforcement process that could take the place of flow restrictors. Flow restrictors have not been used on the Peninsula since the rationing in the late 1980's, and even then, only a few were placed.

¹ "New Structure" means construction or replacement of a structure or use that requires a Water Permit. (MPWMD Rule 11)

EXHIBITS

- 4-A** Figure 23-1
- 4-B** Fire Service Memo
- 4-C** Request for Variance/Modification for APN 101-211-032
- 4-D** Canada Woods Water Company Letter

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EXHIBIT 4-A

Figure 23-1

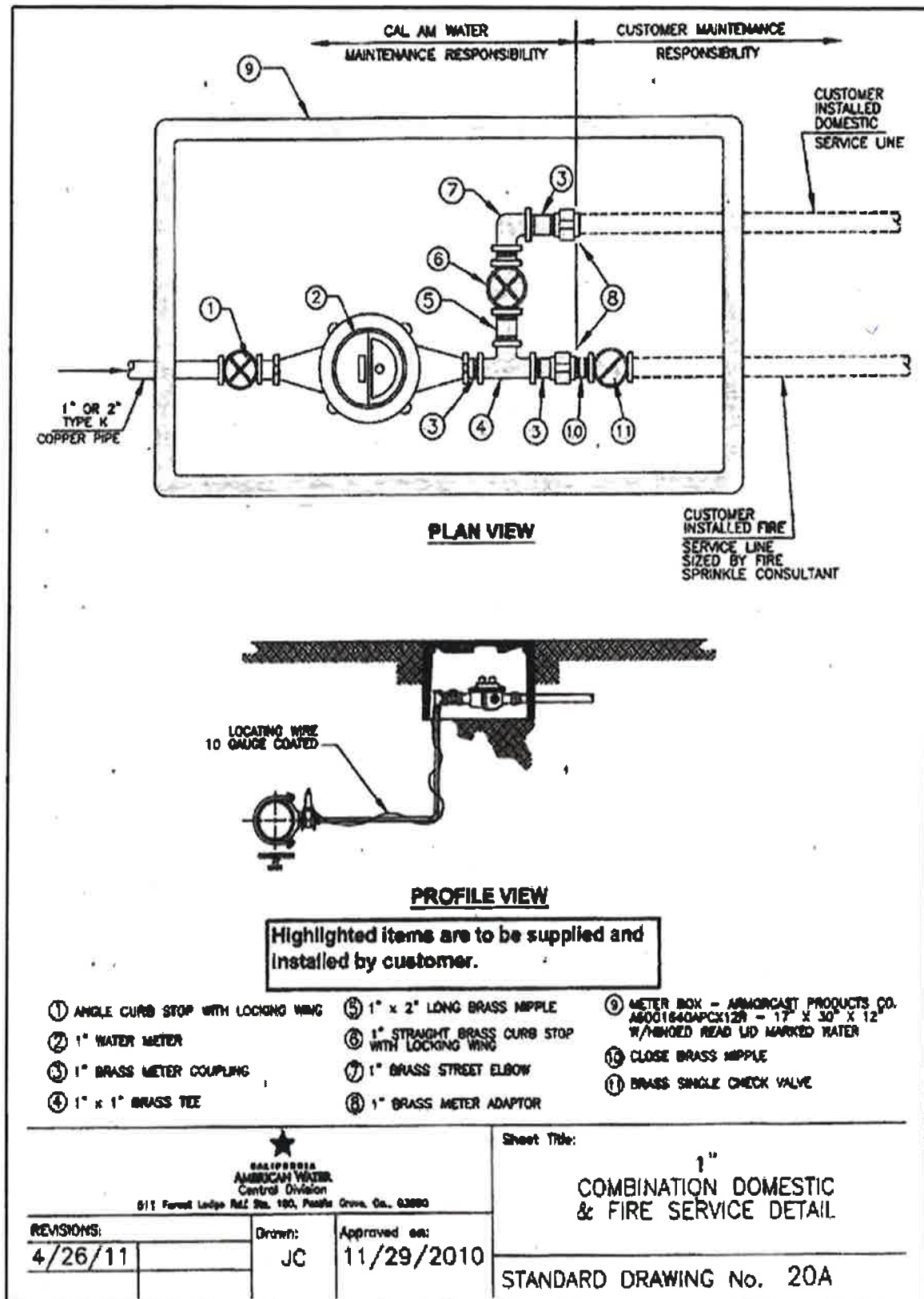


EXHIBIT 4-B

INTEROFFICE MEMORANDUM

TO: DARBY FUERST
FROM: STEPHANIE PINTAR
SUBJECT: FIRE SERVICE METERING REQUIREMENT UPDATE
DATE: APRIL 30, 2009

The issue: During our rationing implementation discussions with CAW and DRA during the first half of 2008, it became apparent that there was a potential issue regarding installation of flow restrictors in water lines that also served sprinkler (fire suppression) systems. Although nothing can be done regarding the existing water services that include both domestic and fire, future connections could be established that would not have the risk of flow restrictors. Therefore, a provision was added to Rule 161 by Ordinance No. 134 to require separate fire suppression meters for new construction receiving a Water Permit after October 1, 2008. This provision was moved to Rule 23-B-2 by Ordinance No. 137 and the date was changed to January 1, 2009.

The ordinances both received two public hearings and copies of the ordinances were provided to DRA, CAW, and TAC members for review and comments. No comments related to the separate metering requirement were received.

Around December 23, 2008, Gabby received a call which she summarized below:

I received a call from Dennis McElroy (contractor) regarding two projects in the City of Pacific Grove. His clients had been on the City's waiting list for the last five/six years. They recently obtained Water Permits for the construction of two single-family dwellings and are subject to have a separate water meter for fire suppression system (Rule 161 H). Mr. McElroy informs me that CAW has delayed the installation for the meters because the PUC needs to make a determination on whether or not CAW can waive the \$5000 installation fee for separate Water Meters. Mr. McElroy is upset and wants the requirement of the separate meter waived. His clients have been delayed too long and they are afraid of a possible moratorium that would prevent them from building their dream home. They have invested a lot of time and money. He wants CAW to install the water meter. Is there anything the District can do for him and for all the other people who find themselves in this situation?

In February, I received a call from David Brown, the community relations representative for the Monterey Fire Department. He expressed concern that the fire departments had not been notified of the change in the metering requirement. I apologized and explained that the ordinance had gone through a review process and it was an oversight not to include them. He was most concerned about the cost of the service to the homeowner.

Leslie Silva, Operations Superintendant for California American Water informed me that she had worked out a system to "T" the fire line so that there was no additional burden to the homeowner. Apparently, the large cost was associated with running a separate line to the property from the water main. This involved tearing up the street/sidewalk to install a line. The resolution was to install one

EXHIBIT 4-B

line from the main to the property, and then to "T" the line to allow the two water meters to be installed. Leslie informed me that a lower "special" rate is charged for the fire suppression meter. She mentioned a charge of \$8.91 for a 1" meter. Apparently, there is a special rate for single meters that included a fire suppression system, such that the service charge is charged at the rate for the next lower sized meter. Chief Brown said that he had talked to Leslie and that she had said there was no cost for the fire system meter. I have not confirmed that.

I am requesting written information on the costs from California American Water to forward to the Fire Chiefs, or alternatively will provide Leslie's contact information to them if there are questions. At this time, I have spoken only to Chief Brown, but will provide a written follow up to the Fire Chief's Association within the next week.

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EXHIBIT 4-C

Exhibit C
RECEIVED

MAR 27 2018

MPWMD

Stephanie Locke

Water Demand Manager

Building G 5 Harris Ct.

March 23, 2018

Monterey, CA 93940

RE: Variance/Modification Request for APN 101-211-032/1180 Monterey Salinas Highway Monterey

Ms Locke;

I was advised to contact you by Gabriela Ayala as the principal who could either address this issue or give me guidance on how to resolve this problem.

I am in the process of planning and obtaining permits to rebuild a single family residence which burned down on the referenced lot. During the purchase and planning process the combination of the water line route, location of the water meter and the current MPWMD requirement to have dual lines running from the water meter have been identified to be a significant cost and execution issue. California American has for the reasons of operating cost (meter reading) and line maintenance has rejected the moving of the meter to the lot's utility easement.

The lot's water meter is located at 92 Twin Oaks Dr in a bank of meters. The meters were relocated to this spot in the past decade.(plot map attached) The water line which is a 2" line runs roughly 700 feet through 4 adjacent parcels before entering the subject property.. Although the line is adequate to support the required sprinkler system the currently required 2 valves at the water meter triggers an onerous financial and installation burden on this project. If required to install a second water line to comply with the 2 valves at the water meter this will not only incur the cost of the line installation itself but the added cost of removing and replacing landscaping on the intervening parcels.

As an option under the reasoning of a) grandfathering or b) a specific waiver I would propose that we be allowed to install a second valve vault with the required dual valve setup at the point where the water line enters the subject parcel. This vault would be located in the current designated utility easement space. If the language of the current easement is not acceptable to the MPWMD I propose that a new access easement acceptable to MPWMD be written and recorded against the property.

I authorize by this letter Jack Paquin contractor's license #1005692 to also be allowed to address this request.

Paquin Construction
448 Ramona Ave
Phone 831 915-2026

I would appreciate your consideration on this matter. My contacts are:

John D Gonnerman 1082 Moana Dr San Diego, CA 92107

Email: jdgonnerman@gmail.com Phone 858-472-4243

Thank you



EXHIBIT 4-C

OLD REPUBLIC TITLE COMPANY

ORDER NO. 0724015390-ES

THIRD AMENDED REPORT

The form of policy of title Insurance contemplated by this report is:

CLTA Standard Coverage Policy -1990. A specific request should be made if another form or additional coverage is desired.

The estate or interest in the land hereinafter described or referred or covered by this Report is:

Fee as to Parcel(s) One and an Easement as to Parcel(s) Two, Three and Four

Title to said estate or interest at the date hereof is vested in:

Mark S. Bibler, Ellen E. Milinich and Susan A. Gardner, as tenants in common

The land referred to in this Report is situated in the unincorporated area of the County of Monterey, State of California, and is described as follows:

Parcel One:

Parcel C as shown on that certain parcel map filed for record Volume 9 of Parcel Maps, Page 216, filed for record on March 17, 1976, public records of Monterey County, California."

Parcel Two:

A non-exclusive right of way for driveway purposes over a strip of land 20 feet in width lying 10 feet on either side of the following described centerline; Beginning at said point "D" and running North 32° 33' East 241.17 feet; thence tangentially curving to the right 34.62 feet on the arc of a curve of 35.0 feet radius (long chord bears North 60° 53' East 33.22 feet); thence tangentially North 89° 13' East 95.03 feet; thence tangentially curving to the right 38.69 feet on the arc of a curve of 140 feet radius (long chord bears South 82° 52' East, 38.57 feet to the said point "C".

Parcel Three:

A non-exclusive right of way for driveway purposes over a strip of land 20 feet in width lying 10 feet on either side of the following described center line; Beginning at said point "B" and running thence South 74° 57' East 16.86 feet; thence tangentially curving to the left 44.29 feet on the arc of a curve of 35 feet radius (long chord bears North 68° 48' East 41.39 feet); thence tangentially North 32° 33' East 9.98 feet to a point on said southwesterly line of said Highway distant 10 feet northwesterly from (measured along said Highway line) said iron pipe "DMP 167".

Parcel Four:

A right of way for utility purposes over a strip of land 10 feet in width lying contiguous to and southeasterly of the following described line; Beginning at a point on the northwesterly boundary line of the aforementioned Koolwyk 3.50 acre parcel of land distant North 57° 27' West, 10 feet from point "D" hereinabove referred to and running thence along said northwesterly boundary line North 32° 33' East, 380.16 feet to the most northerly corner of said Koolwyk 3.50 acre parcel of land on the southwesterly line of the Monterey-Salinas State Highway.

APN: 101-211-32-000

EXHIBIT 4-C

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0724015390-ES
THIRD AMENDED REPORT

At the date hereof exceptions to coverage in addition to the Exceptions and Exclusions in said policy form would be as follows:

1. Taxes and assessments, general and special, for the fiscal year 2015 - 2016, as follows:

Assessor's Parcel No	:	101-211-032-000	
Code No.	:	096-031	
1st Installment	:	\$435.39	NOT Marked Paid
2nd Installment	:	\$435.39	NOT Marked Paid
Land Value	:	\$32,226.00	
Imp. Value	:	\$46,431.00	

NOTE: Owing to the volume of payments received by the County Tax Collector at this time, the taxes may have been paid, but do not show as paid on the tax roll.

2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq., of the Revenue and Taxation Code of the State of California.

3. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument	:	Deed
Granted To	:	Pacific Gas and Electric Company
For	:	A single line of poles
Recorded	:	January 8, 1946 in Reel 903 of Official Records, Page 52
Affects	:	Exact location not disclosed

4. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument	:	Deed
Granted To	:	Pacific Gas and Electric Company and The Pacific Telephone and Telegraph Company, California corporations
For	:	A single line of poles
Recorded	:	January 6, 1947 in Reel 946 of Official Records, Page 478
Affects	:	Exact location not disclosed

EXHIBIT 4-C

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0724015390-ES
THIRD AMENDED REPORT

5. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Deed
Reserved By : Del Monte Properties Company, a California corporation
For : Right of way for public utility purposes
Recorded : March 29, 1947 in Reel 962 of Official Records, Page 447
Affects : As described therein

NOTE: The present ownership of said easement and other matters affecting the interests thereto, if any, are not shown herein

6. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Deed
Granted To : Noel O. Van Bibler, et ux
For : Utility purposes and driveway purposes
Recorded : April 11, 1957 in Reel 1783 of Official Records, Page 244
Affects : A portion of said land, as more particularly described in said Document

NOTE: The present ownership of said easement and other matters affecting the interests thereto, if any, are not shown herein

7. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Joint Tenancy deed
Granted To : Lachlan A. Van Bibber and Muriel Van Bibber, his wife
For : Right of way for driveway purposes and utility purposes
Recorded : April 11, 1957 in Reel 1783 of Official Records, Page 246

NOTE: The present ownership of said easement and other matters affecting the interests thereto, if any, are not shown herein

8. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as shown on the filed map.

For : Access road and utilities
Affects : As shown on said map

EXHIBIT 4-D

Canada Woods Water Company

P.O. Box 221850

Carmel, CA. 93922

To: Stephanie Locke, Manager

MPWMD

January 18, 2018

Re: CWWC water meter detail

Dear Stephanie,

Thank you, your staff, and Mr. Stoldt, for taking the time to meet with us to resolve this question and issue, regarding the detail of how water meters get set in the Canada Woods Water Company system, that comprises primarily the neighborhoods known as Tehama and Monterra.

To summarize, when the base infrastructure was being installed in both projects, the meter boxes were put in place as part of that core infrastructure. This is the case for almost all of the existing and future water connections throughout our service area. As such, the detail your District provided us is not able to be installed without ripping out the boxes and other elements that have already been planned, engineered, and installed in conformance with all the requirements that were in place at the time these decisions were made.

As we discussed, our annual report to the MPWMD documents the detailed demand and production of the water system, and has documented that our management of this system has consistently yielded results that show that the actual usages are less than what had originally been forecast, and planned for. Further, should there be overage or excess usage issues in the future, as a small system where we know most of our customers personally, we are able to contact and work with each customer, if necessary, to resolve issues. This should eliminate the scenario where a flow restrictor would need to be put on the potable service (without interrupting the fire service).

As we expressed in our meeting with you, should you want to periodically check one of your water permits against actual usage, we would assist you in identifying the customer to the monthly usage which is part of the reported data which we include in our annual report to you. Using the method we discussed, there is a way we can share specific information that does not compromise the customer privacy.

Once again, thank you for your diligence in helping us to work through this issue.

Best Regards,

Michael Waxer, Manager

Canada Woods Water Company, LLC