

## FINAL MINUTES Water Demand Committee of the Monterey Peninsula Water Management District December 5, 2014

# **Call to Order**

The meeting was called to order at 1:35 pm in the MPWMD conference room.

Committee members present:	Kristi Markey, Chair Jeanne Byrne Brenda Lewis
Staff members present:	David J. Stoldt, General Manager Stephanie Locke, Water Demand Division Manager Arlene Tavani, Executive Assistant
Comments from the Public:	No comments.

### **Action Items**

1. Consider Adoption of November 13, 2014 Committee Meeting Minutes On a motion by Byrne and second of Lewis, the committee approved the November 13, 2014 minutes on a vote of 3 – 0 by Byrne, Lewis and Markey.

# 2. Develop Recommendation to the Board on Water Permit Requirements for Outdoor Seating

There was consensus between Markey and Byrne to recommend that the Board direct staff to prepare a draft ordinance that would: (a) allow outdoor seating at 50 percent of the number of permitted indoor seats at no additional permit cost; (b) no water credit would be associated with the outdoor seats; (c) the ordinance would apply prospectively to projects as of a specific date; and (d) staff should work with members of the Technical Advisory Committee to develop a definition of enclosed space to clarify the difference between indoor and outdoor seating. The draft ordinance should be submitted to the Water Demand Committee for additional consideration before it is presented to the Board for first reading. Lewis was not present when consensus was reached on this item.

Public comment: (1) Mike Zimmerman, Coalition of Peninsula Businesses, stated that the existing policy that does not require permitting of outdoor seating should remain in effect. He submitted three examples of restaurant seating occupancy. The first example was a restaurant that offered indoor and outdoor seating. He provided statistics on the number of seats that were occupied over a ten-month period. He concluded that the District's water factor allotted to the number of indoor seats met the demand for all seating over the ten-month period. In the second example, the number of indoor and

outdoor seats in a restaurant was presented along with water use over a ten-month period. He concluded that water use remained below the estimated water capacity of the indoor seats. In the third example, Mr. Zimmerman concluded that restaurants are working within their allocations and there is no additional demand created by outdoor seating that is pushing water use beyond the allocations. Mr. Zimmerman's examples can be viewed at the District office or on the MPWMD website. (2) John Narigi, Coalition of Monterey Peninsula Businesses, submitted an example that listed the number of indoor and outdoor seats filled over a twelve-month period for a restaurant and bar. He concluded that the number of seats filled was never higher than the indoor seating capacity. (3) Moe Ammar, Pacific Grove Chamber of Commerce, spoke in opposition to any change to permitting practices for outdoor seating. He interviewed 17 restaurateurs in Pacific Grove and was told that seating reaches capacity only during the AT&T Pro Am golf tournament and Car Week with the Concourse events. He stated that with a five percent profit margin, restaurants could not afford to permit outdoor seating. (4) Jody Hanson, Monterey Peninsula Chamber of Commerce, stated that restaurant seating is underutilized. All seats are not full seven days a week, for 24 hours. She opined that the allocation per restaurant seat is based on filled seats. She stated that there is no problem with overuse of water from outdoor seating. There is no need to change permitting practices, unless there is a change in trends and tourists visit the area in greater numbers. (5) Sam Teel, Monterey County Hospitality Association, stated that outdoor seating is only a small boon to the economic vitality of restaurants. It does not require regulations the Water Management District contemplates. (6) Todd Bennett, City of Monterey Planning Department, stated that according to an informal survey conducted by City staff, outdoor seating does not increase the number of customers at a restaurant. In the City of Monterey, outdoor seating improvements are the responsibility of the requesting business, and City staff had advised permit applicants that the Water Management District did not require a permit for outdoor seating. The City of Monterey has 8 outdoor seating projects that are in process. He opined that it would be unreasonable and unfair for the Water Management District to change its rules and require a water permit for outdoor seating.

Comments from the committee members. (1) It would be inconsistent with our rules to ignore outdoor restaurant seating. Suggest that if the number of outdoor seats is within 35 percent of the number of indoor seats, no additional permit fee would be required. For new requests to add outdoor seating, the number of proposed outdoor seats must be within a specific percentage of its indoor seating. If you decide that outdoor seating should not be counted, there may be a business that is based entirely on outdoor seating. (2) Each jurisdiction may define an "enclosed space" differently, so it is important to develop a definition of outdoor seating parameters. (3) Any revision to the commercial water use factors should be delayed for 5 years. (4) Suggest that outdoor seats could be set at 50 percent of indoor seating. No water credit could be associated with the outdoor seats. Narigi and Zimmerman agreed with that suggestion. Bennett recommended that the District develop a percentage that would be appropriate for ice cream shops, coffee shops and bars. (5) The addition of outdoor seating could prompt required compliance with all Best Management Practices and water efficiency requirements. It was also proposed that installation be considered voluntary. Narigi suggested that an alternative would be to allow a restaurant to fund the installation of water saving devices at another restaurant. He also asked the committee to consider that some locations, such as the



Monterey Bay Plaza, have outdoor seats that are required for public access. They are not for the exclusive use of restaurant or hotel guests. Public access areas should be excluded. (6) If a restaurant decides to add outdoor seats in a number greater than 35 or 50 percent of indoor seating, a fee could be associated with the extra seats.

**Other Items:** No discussion.

### **Set Next Meeting Date**

The next meeting was scheduled for January 15, 2014 at 1:30 pm.

### Adjournment

The meeting was adjourned at 2:40 pm.

