

Adopted December 8, 2008 – Effective December 31, 2008

**FINAL
ORDINANCE NO. 137**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AMENDING
REGULATION XV, THE EXPANDED WATER CONSERVATION AND STANDBY
RATIONING PLAN**

FINDINGS

1. The Water Management District is charged under the Monterey Peninsula Water Management District Law with the integrated management of the ground and surface water resources in the Monterey Peninsula area.
2. The Water Management District has general and specific power to cause and implement water conservation activities as set forth in Sections 325 and 328 of the Monterey Peninsula Water Management District Law.
3. This ordinance responds to present and threatened water emergencies, as provided by Section 332 of the District Law. Water emergencies addressed by this ordinance are created by legal circumstances which constrain the amount of water that is available to serve water users in the Monterey Peninsula area.
4. This ordinance reflects a Settlement Agreement between MPWMD and California American Water regarding CPUC filing A.07-12-010. The Settlement Agreement was dated August 11, 2008, and amended October 8, 2008. MPWMD agreed to amend Regulation XV to include regulatory rationing, amend its definition of the Monterey Peninsula Water Resource System to include the California American Water systems located in the Laguna Seca Subarea (accomplished upon adoption of Ordinance No. 135 on September 22, 2008), suspend Water Banking until it can be successfully implemented by either MPWMD or California American Water, and modify the rationing plan to use the current 12-month rolling average for Unaccounted For Water when determining Water Rations.
5. MPWMD's Regulation XV, Expanded Water Conservation and Standby Rationing Plan, in combination with an extensive public awareness campaign and comprehensive water rate structure for conservation, emergency and rationing rates, has enabled compliance with State Water Resources Control Board (SWRCB) Order No. WR 95-10. The plan

also provides the foundation for water rationing in the event of drought or other emergency reductions in water supply.

6. The Expanded Water Conservation and Standby Rationing Plan (Regulation XV) is intended to maintain California American Water main system and other Water Distribution System production within the limits set by the SWRCB and within the limits that may derive from the Decision of the Monterey County Superior Court in California American Water vs. City of Seaside, et al. (Case No. M66343), as it may be amended from time to time and implemented by the Seaside Watermaster.
7. Ordinance No. 137 deletes the definition "Satellite Systems" in response to requests by representatives of customers in the Bishop and Hidden Hills systems to define each system separately. In place of "Satellite Systems," Ordinance No. 137 defines the individual California American Water subsystems, namely Bishop, Hidden Hills and Ryan Ranch.
8. Ordinance No. 137 amends Stage 4 to provide additional conservation measures to increase the response to regulatory restrictions, and allows this stage to sunset without Board action when regulatory compliance has been achieved.
9. Ordinance No. 137 adds regulatory triggers to Stages 5 through 7, and extends those stages to apply to any Water Distribution System within the Monterey Peninsula Water Resource System when needed to respond to water supply limits. These Stages also enable an emergency response when immediate reductions in water use are necessary to ensure public health, safety or welfare.
10. Ordinance No. 137 amends Stage 5 to recognize Water Entitlements issued by the District.
11. Ordinance No. 137 eliminates the Unaccounted For Water Use exemption for the California American Water subsystems, making the Board's current 7 percent standard apply to all California American Water systems.
12. Ordinance No. 137 establishes a "ration" for Unaccounted For Water Use in Water Distribution Systems of 10 or more connections. There are 11 systems that meet this standard within the MPWMD.

13. Ordinance No. 137 requires California American Water to notify customers prior to implementation of emergency rates in accord with California Public Utilities Commission (CPUC) requirements.
14. Ordinance No. 137 sets a minimum per person ration of 35 gallons per day in accord with the standard set forth in the 2008 Drought Urban Guidebook published by the State of California, Department of Water Resources, Office of Water Use Efficiency and Transfers. This standard applies to "inside residential use". The data are from the Tampa (Florida) Water Department Residential Water Conservation Study: The Impacts of High Efficiency Plumbing Fixture Retrofits in Single-Family Homes, January 8, 2004. In the event that the minimum standard is set in any rationing stage, customers unable to meet the health and safety targets will receive information, assistance or a home water audit to help them find and repair leaks and unnecessary water uses.
15. Ordinance No. 137 suspends Water Banks until December 31, 2010 to allow California American Water time to upgrade its billing system to calculate and manage Water Banking or MPWMD to complete its database with a component for Water Banking. During the suspension of Water Banking, Water Users will be excused the first time a Water Ration is exceeded in a Ration Year. Second and subsequent offenses will be enforced.
16. Ordinance No. 137 adds Mandatory Conditions of Approval as a prerequisite for a rationing variance. Conditions include installation of low water consumption technology and water efficient irrigation.
17. Ordinance No. 137 adds a requirement for completion of Landscape Water Audits and Budgets at the time a Dedicated Irrigation Meter is installed.
18. Ordinance No. 137 includes an annual procedure for California American Water to review and identify customers that require Landscape Water Audits and Landscape Water Budgets. Customers are then required to contact California American Water to arrange for an audit.
19. Ordinance No. 137 relocates separate water metering requirements for outdoor irrigation and fire protection that were adopted with Ordinance No. 135.
20. Ordinance No. 137 was reviewed in concept and draft form by the Water Demand Committee (September 29, 2008 and October 27, 2008), the Technical Advisory Committee (TAC) on October 7, 2008 and November 4, 2008, and by the Policy

Advisory Committee on November 4, 2008. The Board of Directors considered the ordinance at its October 20, 2008 meeting and referred the ordinance back to committee for further review prior to first reading on November 17, 2008.

21. Ordinance No. 137 is not intended to modify or impair the provisions of any contract for the acquisition of a Water Distribution System by California American Water.
22. Ordinance No. 137 is processed under a Statutory Exemption under Section 15282(v) of the California Environmental Quality Act (CEQA), as set forth at the CEQA Guidelines, Title 14, CCR §15282v. This exemption applies to adoption of an Urban Water Management Plan. In approving this ordinance, the Board determines that water rationing plan is a necessary component to such a Plan, and therefore qualifies for a Statutory Exemption.
23. The following District Rules are amended by this Ordinance No. 137: Rule 11 (Definitions), Rule 160 (General Provisions), Rule 161 (Stage 1 Water Conservation), Rule 162 (Stage 2 Water Conservation), Rule 163 (Stage 3 Water Conservation), Rule 164 (Stage 4 Water Rationing), Rule 165 (Stage 5 Water Rationing), Rule 166 (Stage 6 Water Rationing), Rule 167 (Stage 7 Water Rationing), Rule 168 (Water Banks), Rule 169 (Water Rationing Variance), Rule 170 (Water Use Survey), Rule 171 (Water Waste and Non-Essential Water Use Enforcement), Rule 172 (Landscape Water Audits), Rule 173 (Regulation of Mobile Water Distribution Systems), Rule 174 (Regulation of Well Owners or Operators and Extractors), Rule 175 (Water Rationing Enforcement), and Rule 23-B-2 (Mandatory Conditions for Action on an Application for a Water Permit to Connect to or Modify an Existing Water Distribution System).

NOW THEREFORE be it ordained as follows:

ORDINANCE

Section One: Short Title

This ordinance shall be known as the 2008 Comprehensive Revision to the Expanded Water Conservation and Standby Rationing Plan of the Monterey Peninsula Water Management District.

Section Two: Purpose

This ordinance amends the Expanded Water Conservation and Standby Rationing Plan (Regulation XV) to fulfill terms of a Settlement Agreement between MPWMD and California American Water dated August 11, 2008 and amended October 8, 2008. The Settlement Agreement relates to a pending application before the California Public Utilities Commission (A. 07-12-010). This ordinance addresses the issues raised in the Settlement Agreement not addressed in Ordinance Nos. 134 and 135. In addition to responding to the Settlement Agreement, this ordinance clarifies and expands upon existing Regulation XV procedures and language, adds definitions for the Seaside Watermaster and for the California American Water subsystems located in the Laguna Seca Subarea of the Seaside Groundwater Basin, and establishes a minimum per capita water ration standard. Upon adoption of this Ordinance, California American Water shall amend its Rule 14.1, Water Conservation and Rationing Plan -- Monterey District, to conform to Regulation XV, as amended.

The entire Regulation XV is provided in this ordinance. Proposed new language is shown in **bold italics**. Proposed deletions are shown in ~~highlighted strikeout~~.

Section Three: Amendment to Rule 11

Rule 11 shall be amended as shown below, with added language as shown in **bold italic** type face, and deleted language shown in ~~strikeout~~ type face. Numbering is provided for convenience and should not be transferred to the permanent Rule 11.

1. ***BISHOP WATER DISTRIBUTION SYSTEM – “Bishop Water Distribution System” or “Bishop” shall mean the California American Water subsystem as described in the purchase agreement between Bishop Water Company and California American Water dated September 1, 1996.***

2. HIDDEN HILLS SYSTEM – “Hidden Hills System” shall mean the California American Water ~~subunit~~ **subsystem** as described in the purchase agreement between Carmel Valley Mutual Water Company and California American Water recorded July 8, 1994, Document #49389, Reel 3125, Page 696. ~~The Hidden Hills System derives its Source of Supply from the Laguna Seca Subarea of the Seaside Basin.~~
3. LARGE RESIDENTIAL WATER USER – “Large Residential Water User” shall mean any Residential Water User consuming ~~an average of 32 units or more each month (23,936 gallons) or~~ at least 384 units (287,232 gallons) in the **previous Water Year (or an average of 32 units per month)** ~~year prior to establishment of a Landscape Water Budget~~
4. MAIN CALIFORNIA AMERICAN WATER SYSTEM – “Main California American Water System” shall mean California American Water’s **Water Distribution** System that derives its Source of Supply from the Carmel River **System** and the Seaside **Coastal Subareas of the Seaside** Groundwater Basin.
5. MIXED USE – “Mixed Use” shall mean water used for domestic or other uses from any Water Distribution System or private Well where one ~~or more~~ water meters or Connections supplies both Residential and Non-Residential uses, often within the same building.
6. MOBILE WATER DISTRIBUTION SYSTEM - “Mobile Water Distribution System” means any ~~mobile~~ **Potable or Subpotable** water ~~supply~~ **delivery that originates at a location apart from the Site of use and that is delivered via a truck or other movable container. This definition** ~~process, including, but is not limited to, trucked water, used for distribution of water from a Source of Supply to a User for utilization upon the User’s property.~~ This definition shall not apply to deliveries of water by commercial companies in volumes less than or equal to 55 gallons per container.
7. **RYAN RANCH WATER DISTRIBUTION SYSTEM – “Ryan Ranch Water Distribution System” or “Ryan Ranch” shall mean the California American Water subsystem as described in the purchase agreement between Neuville Co. N.V. (a Delaware Corporation) and California American Water dated April 30, 1990.**
8. ~~SATELLITE SYSTEMS – “Satellite Systems” shall mean California American Water’s smaller distribution systems along State Route 68 between Monterey and Salinas that derive~~

their Source of Supply from the Laguna Seca Subarea of the Seaside Basin, excluding Hidden Hills System. These Satellite Systems include the Ryan Ranch and Bishop Units.

9. ***SEASIDE WATERMASTER*** – “***Seaside Watermaster***” shall mean either (a) the court appointed Seaside Basin Watermaster Board pursuant to Section III-L of the Decision rendered for Monterey County Superior Court Case No. M66343 (*California American Water vs. City of Seaside, et al.*) dated March 22, 2006, as it may be amended from time to time; or (b) the Superior Court, when issuing any order in *California American Water vs. City of Seaside, et al.*

Section Four: **Amendment to Rule 160**

Rule 160 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 160 - GENERAL PROVISIONS

- A. All Water Users within the Monterey Peninsula Water Management District shall comply with the District's Water Waste and Non-Essential Water Use prohibitions and the water conservation requirements of Regulation XIV.
- B. Prohibitions against Water Waste and Non-Essential Water Use shall be enforced by the District and its designated agents in accordance with Rule 171 (Water Waste and Non-Essential Water Use Enforcement) and Regulation XI, unless indicated otherwise.
- C. Stage 1 ~~Water Conservation~~ shall ***apply*** to all Water Users within the Monterey Peninsula Water Management District.
- ~~D. Stages 2 and 3 Water Conservation are intended to maintain California American Water production within the limits set by the State Water Resources Control Board (SWRCB) and by the Seaside Basin Adjudication Decision (Seaside Decision).~~
- ED.*** Stage 1 ~~Water Conservation~~ through Stage ~~3~~ ***7*** ~~Water Conservation~~ shall ***apply*** to Water Users of any California American Water Distribution System where that system derives its Source of Supply from the Monterey Peninsula Water Resource

System (MPWRS) for as long as California American Water is subject to legal or regulatory water production limitations.

- EE.** Stage 4 ~~Water Rationing~~ through Stage 7 ~~Water Rationing~~ respond to limitations in supply caused by inadequate system inflow and storage, **regulatory restrictions**, or emergency situations that require water reductions.
- F.** *During Stages 4 through 7, each Water Distribution System shall provide individual consumption data pertaining to any Water User of that Water Distribution System upon written request of the General Manager. Data shall be in the form and manner specified by the General Manager. Each failure to respond in full to such written request by the date specified therein shall result in a penalty to the Water Distribution System of one-hundred dollars (\$100) per day for each day or portion thereof that the response is delayed. The failure to comply with the data request shall provide cause for the General Manager to suspend the regulatory trigger set in Rule 164-A-3, Rule 165-A-2, Rule 166-A-2 and Rule 167-A-2.*

The General Manager shall retain and use any data received under this provision for the sole purposes of testing, administering, evaluating or enforcing the water rationing, Water Waste, and Water Banking provisions of Regulation XV. The General Manager shall retain and use these data as a trade secret and shall not make these available for public review.

- G.** ~~Stage 4 Water Rationing through Stage 7 Water Rationing may apply to all Water Distribution System Water Users and Water Users within the Monterey Peninsula Water Resource System as a response to limited water supply. These stages shall also serve as responses to emergency situations where immediate reductions in water use are necessary to ensure public health, safety or welfare. This Regulation authorizes the Board of Directors to determine by Resolution that any Water Distribution System or set of Water Users within the Monterey Peninsula Water Management District shall be subject to Stage 4 Water Rationing through Stage 7 Water Rationing as provided in this Regulation.~~

- HG.** ~~As to water derived from the MPWRS, California American Water shall maintain Unaccounted for Water Use in its MPWRS distribution systems at or below seven (7) percent. Average losses of more than seven (7) percent during the most recent twelve-month period shall be considered Water Waste. This limitation shall not~~

~~affect any California American Water system east of, and including, the Ryan Ranch subunit.~~

- H.** California American Water shall amend its Urban Water Management Plan and its Rule 14.1, Water Conservation and Rationing Plan--Monterey District, to conform to this Regulation. A copy of Rule 14.1 shall be filed with the California Public Utilities Commission (CPUC) and the District within *thirty (30)* days of the effective date of any amendment to this Regulation.
- I.** At least *ten (10)* days prior to a first reading by the Board of amendments to Regulation XV, a copy of the proposed changes shall be provided to the CPUC Division of Ratepayer Advocates (DRA).
- J.** *Unless amended by an order of the court or by an order of the Seaside Groundwater Basin Watermaster Board after December 10, 2008, the decision in California American Water v. City of Seaside, et al. (Case No. M66343) shall not constitute a final Cease and Desist Order under Regulation XV to require a reduction in supply by reason of a regulatory trigger. The term "Cease and Desist Order" shall be limited to an order after December 10, 2008, that explicitly requires any Water Distribution System, private Well, or Water User, on a certain date, to reduce its production of water. For the purposes of Regulation XV, the effective date of such an order shall be the same date that the water production reduction limit is imposed.*

Section Five: **Amendment to Rule 161**

Rule 161 shall be amended as shown below, with added language as shown in *bold italic* type face, and deleted language shown in ~~strikeout~~ type face.

RULE 161 - STAGE 1 WATER CONSERVATION

Stage 1 ~~Water Conservation~~ is ~~defined as~~ the first stage in the District's Expanded Water Conservation and Standby Rationing Plan. *During Stage 1:*

- ~~A. Stage 1 takes action to maintain California American Water production from the MPWRS within the limits set by the SWRCB and the Seaside Decision by increasing conservation activities and preparing for further stages of conservation and rationing.~~

- BA.** ~~During Stage 1 Water Conservation,~~ California American Water shall maintain its ~~annual~~ **Water Year** (October 1 through September 30) ~~water~~ production from the Carmel Valley **River System** below 11,285 Acre-Feet (20 percent below historical production as determined in 1995). ~~This quantity may be modified by the SWRCB.~~
- CB.** ~~During Stage 1 Water Conservation,~~ California American Water shall ~~maintain its annual (October 1 through September 30) water production from the Seaside Groundwater Basin in compliance with the~~ production limits imposed by the Seaside Watermaster.
- DC.** California American Water shall obtain and maintain Water User survey information for its Water Users in compliance with Rule 170.
- ED.** California American Water, in coordination with the District, shall conduct Landscape Water Audits and establish Landscape Water Budgets for all Water Users subject to Rule 172. ~~Annually, at the beginning of the Water~~ **By November 1st of each year,** California American Water shall review its **consumption** records **for the previous Water Year** to ~~verify that all~~ **identify** Water Users required by Rule 172 to have a Landscape Water Budget ~~have met the requirement.~~ ~~Property owners/account holders~~ **Water Users** that ~~have not met this requirement~~ **are required to obtain a Landscape Water Audit and Landscape Water Budget** shall be notified **by California American Water** of this requirement ~~within 30 days~~ **by December 1.**
- F.** ~~All Mobile Water Distribution Systems that obtain water from within the District or that deliver water within the District shall comply with Rule 173, Regulation of Mobile Water Distribution Systems.~~
- G.** ~~All Non Residential New Structures receiving a Water Permit after October 1, 2008 that include irrigated areas beyond ten (10) feet of any building shall utilize a separate water meter to measure all exterior water uses.~~
- H.** ~~All New Structures receiving a Water Permit after October 1, 2008 shall have separate water meters for fire suppression systems.~~

Section Six: **Amendment to Rule 162**

Rule 162 shall be amended as shown below, with added language in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 162 - STAGE 2 WATER CONSERVATION

~~A.~~ Stage 2 ~~Water Conservation~~ is ~~defined as~~ the second stage in the District's Expanded Water Conservation and Standby Rationing Plan. ~~that takes action to maintain California American Water production from the MPWRS below legal and regulatory constraints. This is accomplished by requiring implementation of Landscape Water Budgets for irrigators of three acres or more, Large Residential Water Users, and Water Users with Dedicated Irrigation Meters.~~

B.A. Stage 2 ~~Water Conservation~~ shall be enforced in the Main ***California American Water*** System when California American Water production from the MPWRS exceeds the year-to-date at month-end targets as displayed in Table XV-1.

1. The monthly distribution of water production from ***the*** MPWRS, as shown in Table XV-1 shall be approved by the Board of Directors as part of the Quarterly Water Supply Strategy and Budget process. The Board shall hold public hearings during the Board's regular meetings in September, December, March, and June, at which time the Board may modify Table XV-1 by Resolution.

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Table XV-1
Regulatory Water Production Targets
for All California American Water Main Systems from Sources
Within the Monterey Peninsula Water Resource System
(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	1,377	1,377
November	1,081 1082	2,458
December	993	3,451 3,452
January	961	4,412 4,413
February	878	5,290 5,291
March	1,012	6,302
April	1,124	7,427 7,426
May	1,424	8,850
June	1,522	10,372
July	1,640	12,012
August	1,633	13,645
September	1,489	15,134
TOTAL	15,134	--

Note: Monthly and year-to date at month-end production targets are based on the annual production limit specified for the California American Water (CAW) systems from Carmel River sources in State Water Resources Control Board Order No. WR 95-10 (11,285 acre-feet) and the initial annual production limit specified for the CAW *California American Water* systems from sources in the Coastal Subareas (3,504 acre-feet) and the Laguna Seca Subarea (345 acre-feet) of the Seaside Groundwater Basin in the Seaside Basin Adjudication Decision. This Main System total (14,789 acre-feet) was distributed monthly based on CAW's California American Water's reported monthly average production for its Main System during the 1998 through 2007 period and the *Satellite Systems subsystem* total (345 acre-feet) was distributed monthly based on CAW's *California American Water's* reported monthly average production for its *Satellite Systems the Laguna Seca Subarea* during the 2000 through 2007 period.

All references to Satellite Systems shall include the Hidden Hills System.

Table XV-2
Regulatory Water Production Targets
for California American Water ~~Satellite~~ *Subs*Systems from Sources
Within the Laguna Seca Subarea of the Monterey Peninsula Water Resource System

(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	34	34
November	23	57
December	19	76 75
January	16	92 91
February	14 15	106
March	19	125
April	24	149
May	33	182 183
June	38	220 221
July	43	263 264
August	42	305
September	40	345
TOTAL	345	--

Notes: Monthly and year-to-date at month-end production targets are based on the annual production limit specified for the California American Water (~~CAW~~) *subs*ystems ~~Satellite~~ *Systems* from sources in the Laguna Seca Subarea (345 acre-feet) of the Seaside Groundwater Basin in the Seaside Basin Adjudication Decision. This value (345 acre-feet) was distributed monthly based on CAW's reported monthly average production for its *subs*ystems ~~Satellite~~ *Systems* located in the *Laguna Seca Subarea* during the 2000 through 2007 period.

Total Production shown on this Table shall incorporate increased water supplies as may be recognized by the Seaside ~~Basin~~ Watermaster.

~~All references to Satellite Systems shall include the Hidden Hills System.~~

CB. Stage 2 ~~Water Conservation~~ shall be enforced in the ***Bishop, Hidden Hills and/or Ryan Ranch subsystems*** ~~Satellite Systems and in the Hidden Hills System~~ when California American Water production ~~from the MPWRS for its Main, Satellite, and Hidden Hills Systems~~ has exceeded the year-to-date at month-end production as shown in Table XV-1 and California American Water production from the MPWRS for its ***subsystems*** ~~Satellite Systems and Hidden Hills System~~ has exceeded the year-to-date at month-end production as shown in Table XV-2.

The monthly distribution of water production shown in Table XV-2 shall be approved by the Board of Directors as part of the Quarterly Water Supply Strategy and Budget process. The Board may modify Table XV-2 by Resolution following a public hearing held during the Board's regular meeting in September, December, March, or June.

DC. STAGE 1 REQUIREMENTS CONTINUE:

Requirements *of Rule 161* ~~imposed by implementation of the Expanded Water Conservation and Standby Rationing Plan through~~ (Stage 1 ~~Water Conservation~~) shall remain in force *during Stage 2*.

ED. ~~IMPLEMENTATION OF~~ LANDSCAPE WATER BUDGETS:

During Stage 2, ~~All~~ Water Users required to obtain a Landscape Water Budget under District Rule 172 *for the current Water Year* ~~are required to~~ *shall* manage outdoor irrigation within the Landscape Water Budget assigned to the property.

FE. *ENFORCEMENT OF LANDSCAPE WATER BUDGET* ~~WATER WASTE:~~

Water use in excess of the established Landscape Water Budget shall be considered Water Waste.

GF. SUNSET OF STAGE 2 ~~WATER CONSERVATION:~~

Without further action of the Board of Directors, ~~the provisions of Stage 2 Water Conservation~~ shall be ~~rescinded~~ *sunset for that Water Distribution System(s)* and *water use restrictions shall* revert to Stage 1 ~~Water Conservation~~ upon *that Water Distribution System's* compliance with the year-to-date at month-end production goal for two (2) consecutive months in the subsequent Water Year.

HG. NOTICE

California American Water shall provide an annual reminder notice to MPWRS **Water** Users with Landscape Water Budgets to report modifications in Landscaping which could alter an existing **Landscape Water Budget**.

IH. MONTHLY CONSUMPTION REPORTS

During any Stage 2, 3, 4, 5, 6, or 7, California American Water shall provide the District with monthly consumption reports in a format approved by the District. Reports shall be provided within fifteen (15) days of the close of the preceding month.

Section Seven: Amendment to Rule 163

Rule 163 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 163 - STAGE 3 WATER CONSERVATION

~~A. STAGE 3 DEFINITION:~~ Stage 3 ~~Water Conservation~~ is defined as the third stage in the District's Expanded Water Conservation and Standby Rationing Plan, ~~that takes action to maintain California American Water use in the MPWRS below legal and regulatory constraints. It provides a procedure to enable emergency temporary increases in the upper block volume rates and requires increased action by California American Water to reduce Unaccounted For Water Use and monthly reporting of actions taken. Stage 3 Water Conservation may also be triggered upon Resolution of the Board of Directors when there is a need for an immediate water use reduction in response to an unexpected water production increase.~~

A. UNACCOUNTED FOR WATER USE

Upon implementation of Stage 3 ~~Water Conservation~~, California American Water shall immediately submit a plan to the General Manager to reduce Unaccounted For Water Uses in its MPWRS Water Distribution Systems to seven (7) percent or less, measured by the most recent twelve-month rolling average, and shall immediately act on such plan. California American Water shall provide a

progress report *on Unaccounted For Water Use* to the Board of Directors monthly ~~until~~ *during* Stage 3 ~~is sunset~~.

B. REGULATORY TRIGGER MAIN SYSTEM

Stage 3 ~~Water Conservation~~ shall be enforced in its Main California American Water System when any of the following criteria has been met: 1) California American Water's year-to-date production from the MPWRS exceeds the year-to-date production target shown in Table XV-1 by 5 percent or more at the end of the first quarter of the Water Year, or 2) California American Water's year-to-date production from the MPWRS shown in Table XV-1 exceeds the year-to-date production target by 4 percent or more at the end of January, or the year-to-date target by 2.5 percent or more at the end of February, or the year-to-date target by 1 percent or more at the end of March, or 3) California American Water's year-to-date production from the MPWRS shown in Table XV-1 on a year-to-date basis exceeds the year-to-date targets for a consecutive seven-day period during the months of April, May or June; or 4) the California American Water's production from the MPWRS shown in Table XV-1 on a year-to-date basis exceeds the year-to-date target on any single day during July, August, or September; or 5) a Resolution has been adopted by the Board in accord with Section D below.

C. REGULATORY TRIGGER ~~SATELLITE SYSTEMS & HIDDEN HILLS SYSTEM~~ *BISHOP, HIDDEN HILLS AND RYAN RANCH*

Stage 3 ~~Water Conservation~~ shall be enforced in ~~California American Water's Satellite Systems and the Hidden Hills System~~ *the California American Water subsystems* when any of the criteria in Section B has been met and when any of the following criteria has been met: 1) California American Water's year-to-date production from the MPWRS for the ~~Satellite Systems and the Hidden Hills System~~ *Bishop, Hidden Hills and Ryan Ranch subsystems* exceeds the year-to-date production target in Table XV-2 by 5 percent or more at the end of the first quarter of the Water Year, or 2) California American Water's year-to-date production from the MPWRS for the ~~Satellite Systems and the Hidden Hills System~~ *Bishop, Hidden Hills and Ryan Ranch subsystems* exceeds the year-to-date production target shown in Table XV-2 by 4 percent or more at the end of January, or the year-to-date production target by 2.5 percent or more at the end of February, or the year-to-date production target by 1 percent or more at the end of March, or 3) California American Water's year-to-date production from the MPWRS for the ~~Satellite Systems and the Hidden Hills System~~ *Bishop, Hidden*

Hills and Ryan Ranch subsystems exceeds the year-to-date production target shown in Table XV-2 for a consecutive seven-day period during the months of April, May or June; or 4) California American Water's year-to-date production from the MPWRS for the ~~Satellite Systems and the Hidden Hills System~~ *Bishop, Hidden Hills and Ryan Ranch subsystems* exceeds the year-to-date production target shown in Table XV-2 on any single day during July, August, or September; or 5) a Resolution has been adopted by the Board in accord with Section D below.

D. EMERGENCY TRIGGER:

Stage 3 ~~Water Conservation~~ shall be implemented *for any Water Distribution System, private Well, or Water User* upon Resolution of the Board of Directors when ~~there is need for~~ an immediate water use reduction *is needed* ~~requirement~~.

E. EMERGENCY RATE NOTICE:

At least thirty (30) days prior to implementation, California American Water shall notify its Water Users that Emergency Rates approved by the CPUC will be imposed upon the effective date of Stage 3 ~~Water Conservation~~.

F. STAGE 1 *AND* STAGE 2 REQUIREMENTS CONTINUE:

Requirements imposed by ~~implementation of the Expanded Water Conservation and Standby Rationing Plan through~~ *Rules 161 and 162 (Stage 1 and Stage 2)* ~~Water Conservation~~ shall remain in force. ~~Requirements may be modified or superseded by actions taken in future stages of the Expanded Water Conservation and Standby Rationing Plan.~~

G. SUNSET OF STAGE 3 ~~WATER CONSERVATION~~:

Without further action of the Board of Directors, ~~the provisions of~~ Stage 3 ~~Water Conservation~~ shall be ~~rescinded~~ *sunset for that Water Distribution System(s)* and *water use restrictions shall* revert to Stage 1 ~~Water Conservation~~ upon *that Water Distribution System's* compliance with the year-to-date at month-end production goal for two (2) consecutive months in the subsequent Water Year.

~~Regulatory compliance during a period of Stage 4 Water Rationing shall not cause a sunset of this provision.~~

H. CONSERVATION NOTICE

California American Water shall provide notice of mandatory water conservation with each bill.

I. CALIFORNIA AMERICAN WATER EMERGENCY RATES

California American Water shall implement the CPUC-approved Emergency Rate schedule to respond to Stage 3 ~~water reduction requirements~~. California American Water shall file an Advice Letter with the CPUC to implement Emergency Rates after it has first met and conferred with the District at least five (5) days in advance of that filing. The General Manager may waive this time period for good cause.

Section Eight: Amendment to Rule 164

Rule 164 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 164 - STAGE 4 WATER CONSERVATION/RATIONING

~~A.~~ STAGE 4 ~~DEFINITION~~: Stage 4 ~~Water Conservation/Rationing~~ is ~~defined as~~ the fourth stage in the District's Expanded Water Conservation and Standby Rationing Plan ~~that responds to a drought situation or other threatened or existing emergency water supply shortage with a 15 percent reduction goal from system production limits for non-California American Water Users.~~ ***Each Water Distribution System that is subject to Stage 4 shall also implement Stage 3 requirements to the extent possible.***

~~Fifteen percent ***Water use*** reductions in the California American Water systems are achieved through Stage 3 Water Conservation. In the event that California American Water is not currently at Stage 3, California American Water shall implement Stage 3 Water Conservation for all affected systems upon declaration of Stage 4 ***Water Conservation/Rationing***.~~

BA. TRIGGER

1. ~~Water Supply Limitation~~ ***Physical Shortage Trigger***

Stage 4 ~~Water Conservation Rationing~~ shall ~~become effective~~ *take effect for any Water Distribution System that relies, in whole or in part, on production or production offsets from the Carmel River System or the Seaside Coastal Subareas*, on June 1 or such earlier date as may be set by the Board following the District's May Board meeting if total usable storage in the *Carmel River System and the Seaside Coastal Subareas MPWRS* on May 1 is less than 27,807 Acre-Feet and greater than 21,802 Acre-Feet. If total usable storage is equal to or greater than 27,807 Acre-Feet on May 1, no water rationing shall be imposed.

2. **Regulatory Trigger – Continued Non-Compliance with Regulatory Limits through Stage 3**

Stage 4 shall be enforced for all Water Distribution Systems presently at Stage 3 when Stage 3 has been in effect for at least thirty (30) days and when the California American Water year-to-date production from the MPWRS shown in Table XV-1 exceeds one of the following standards:

- (a) *The year-to-date target at month end during the months of October through March; or*
- (b) *The year-to-date targets for a consecutive seven (7) day period during the months of April, May or June; or*
- (c) *California American Water's production from the MPWRS shown in Table XV-1 on a year-to-date basis exceeds the year-to-date target on any single (1) day during July, August, or September.*

3. **Regulatory Trigger – Legally Ordered Reduction in Supply**

Stage 4 shall be enforced in any Water Distribution System that does not rely to any extent upon production or production offsets from the Main California American Water System when that system is required to comply with a final Cease and Desist Order by the State Water Resources Control Board, the Seaside Watermaster or any other final court order that reduces available supplies by fifteen percent (15%) from base year production. The term "base year" shall refer to the Water Year immediately preceding any triggering order.

24. Emergency Trigger

Stage 4 ~~Water Rationing~~ shall be implemented *for any Water Distribution System, private Well, or Water User* upon *adoption of a* Resolution of the Board of Directors. *In that Resolution, the Board shall find* ~~when~~ there is ~~need for~~ an immediate *need to reduce production by fifteen percent (15%).* ~~water use reduction requirement in response to an unexpected water supply shortage.~~

5. Delay of Stage Implementation

The General Manager may delay implementation of this Stage to ensure adequate operation of the program. Delays authorized by the General Manager shall not exceed ninety (90) days.

~~C. Requirements previously imposed by implementation of the Expanded Water Conservation and Standby Rationing Plan shall remain in force. Requirements may be modified or superseded by actions taken in this or future stages of the Expanded Water Conservation and Standby Rationing Plan.~~

DB. SUNSET OF STAGE 4 WATER RATIONING

1. Water Supply Availability

Stage 4 ~~Water Rationing~~ shall continue ~~to have force and effect~~ until rescinded by Resolution of the Board of Directors. *In that Resolution the Board shall find* ~~upon a determination~~ that the total usable storage in the *Carmel River System and the Seaside Coastal Subareas portions of the MPWRS* is greater than 27,807 Acre-Feet. This determination will normally be made at the Board's May meeting. However, a determination to rescind Stage 4 ~~Water Rationing~~ *may be made* as early as the ~~following~~ January Board meeting ~~can be made~~ if the total usable storage in the *Carmel River System and the Seaside Coastal Subareas portions of the MPWRS* is equal to or greater than 27,807 Acre-Feet on January 1.

2. In the event total usable storage is greater than 27,807 Acre-Feet, the General Manager shall review California American Water's year-to-date production. Upon compliance with the monthly year-to-date goals

specified in Table XV-1 of Rule 162 and, unless otherwise specified in the Resolution rescinding Stage 4 ~~Water Rationing~~, Water Users shall revert to Stage 1 ~~Water Conservation~~. If California American Water's year-to-date production exceeds the year-to-date goal specified in Table XV-1 of Rule 162, California American Water Users shall revert to either Stage 2 or Stage 3 ~~Water Conservation~~. If ~~Satellite Systems and the Hidden Hills System~~ year-to-date production *in the California American Water subsystems* exceeds the year-to-date target specified in Table XV-2 of Rule 162, ~~Satellite Systems and the Hidden Hills System~~ *Bishop, Hidden Hills and Ryan Ranch* Water Users shall revert to ~~either Stage 2 or~~ Stage 3 ~~Water Conservation~~.

3. **Regulatory Compliance**

Upon order of the General Manager, and without further action by the Board of Directors, the provisions of Stage 4 shall be rescinded and Water Users shall revert to a lower Stage of water conservation upon compliance with the applicable year-to-date at month-end production goal for two (2) consecutive months in the subsequent Water Year.

4. **Emergency**

Upon correction of a water supply limitation caused by an emergency, Stage 4 ~~Water Rationing~~ shall sunset without action by the Board.

5. **Restoration of Lower Stage**

A Resolution causing the sunset of Stage 4 may also activate any lower Stage as may be warranted for good cause by circumstances affecting a particular Water Distribution System, private Well, or Water User.

EC. NOTICE RELATED TO WATER SUPPLY AVAILABILITY

1. Upon direction of the General Manager, MPWMD shall notify all non-California American Water Distribution System Operators *of systems with two (2) or more connections that are* affected by Stage 4 ~~Water Rationing~~ that reductions in water use are necessary and that stricter water ~~rationing~~ *use restrictions are* ~~is~~ imminent. Water Distribution System Operators shall ensure that notices provided or required by the District shall be

distributed to their Water Users. A copy of each notice shall be filed with the District as well as a current mailing list for all Water Users in that system. The District shall preserve the confidentiality of any mailing list provided pursuant to this Regulation.

2. *Upon direction of the General Manager, the District shall notify publish a notice to inform all Water Users of private Wells (Single-Parcel Connection Systems) within the MPWRS that reductions in water use are necessary and that stricter water use restrictions are imminent. The Notice shall be via first class mail and shall explain the requirements for Stage 4. Water Rationing and shall provide and/or The District may request additional information from the private Well Owner as the General Manager deemed necessary for the efficient operation of the rationing program.*
3. California American Water shall provide notice to its customers that water rationing is imminent. California American Water shall further provide its customers with a survey form to indicate any change in the number of residents or the type of Non-Residential use. Surveys shall be returned to California American Water within 30 days.

D. NOTICE TO LANDSCAPE IRRIGATORS

Immediately upon implementation of Stage 4, California American Water shall notify its Large Residential Water Users, Dedicated Irrigation Meter customers, irrigators of three (3) or more acres, and Water Users who use an average of twelve (12) units or more per month during the most recent 12 months, of the immediate need for them to reduce outdoor water use and irrigation to the greatest extent possible to avoid water rationing.

California American Water shall, throughout Stage 4, periodically send reminder notices of this urgent need.

E. WATER WASTE

California American Water and MPWMD shall increase Water Waste and Non-Essential Water Use enforcement efforts.

Section Nine: **Amendment to Rule 165**

Rule 165 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 165 - STAGE 5 WATER RATIONING

Stage 5 ~~Water Rationing~~ is ~~defined as~~ the fifth stage in the District's Expanded Water Conservation and Standby Rationing Plan. ~~that responds to a drought situation, or other threatened or existing emergency water supply shortage, or Cease and Desist Order with a 20~~ ***16-34*** percent reduction goal from system production limits. Reductions are achieved by water use cutbacks by User Category and by per capita Water Rations and a moratorium on Water Permits that Intensify Water Use.

B4. TRIGGER

1. ~~Water Supply Limitation~~ ***Physical Shortage Trigger***

Stage 5 ~~Water Rationing~~ shall ~~become effective~~ ***effective take effect for any Water Distribution System that that relies, in whole or in part, on production or production offsets from the Carmel River System or the Seaside Coastal Subareas,*** on June 1 or such earlier date as may be set by the Board following the District's May Board meeting if total usable storage in the ***Carmel River System and the Seaside Coastal Subareas*** ~~MPWRS~~ on May 1 is less than 21,802 Acre-Feet and greater than 15,615 Acre-Feet. ~~If total usable storage is equal to or greater than 27,807 Acre-Feet on May 1, no water rationing shall be imposed.~~

~~The General Manager may delay implementation of Stage 5 Water Rationing to ensure adequate operation of the program. Delays authorized by the General Manager shall not exceed 90 days.~~

2. ***Regulatory Trigger – Legally Ordered Reduction in Supply***

Stage 5 shall be enforced in any Water Distribution System, including any California American Water subsystem, when that system is required to comply with a final Cease and Desist Order by the State Water Resources Control Board, the Seaside Watermaster or any other final court order that reduces available supplies by:

- (a) *More than fifteen percent (15%) but less than thirty-five percent (35%) from pre-1995 production (16,806 AFA) in the Main California American Water System. This shall apply to any Water Distribution System that relies, in whole or in part, on production or production offsets from the Main California American Water System, or*
- (b) *More than fifteen percent (15%) but less than thirty-five percent (35%) from base year production (the term "base year" shall refer to the Water Year immediately preceding any triggering order) for any Water Distribution System that does not rely to any extent upon production or production offsets from the Main California American Water System.*

23. Emergency Trigger

Stage 5 Water Rationing shall be implemented *for any Water Distribution System, private Well, or Water User* upon *adoption of a Resolution* of the Board of Directors. *In that Resolution, the Board shall find when there is need for an immediate need to reduce production by at least sixteen percent (16%) but not more than thirty-four percent (34%).* water use reduction requirement in response to an unexpected water supply shortage.

4. Delay of Stage Implementation

The General Manager may delay implementation of Stage 5 Water Rationing *for any Water Distribution System* to ensure adequate operation of the program. Delays authorized by the General Manager shall not exceed *ninety (90) days*.

CB. SUNSET OF STAGE 5 WATER RATIONING

1. Water Supply Availability

Stage 5 Water Rationing shall continue ~~to have force and effect~~ until rescinded by Resolution of the Board of Directors. ~~upon a determination~~ *In that Resolution, the Board shall find* that the total usable storage in the *Carmel River System and the Seaside Coastal Subareas* MPWRS is greater than 21,802 Acre-Feet. This determination will normally be made

at the Board's May meeting. However, a determination to rescind Stage 5 ~~Water Rationing~~ **may be made** as early as the following January Board meeting ~~can be made~~ if the total usable storage in the **Carmel River System and the Seaside Coastal Subareas MPWRS** is equal to or greater than 27,807 Acre-Feet on January 1.

2. In the event total usable storage is greater than 27,807 Acre-Feet, the General Manager shall review California American Water's year-to-date production. Upon compliance with the monthly year-to-date goals specified in Table XV-1 of Rule 162 and, unless otherwise specified in the Resolution rescinding Stage 5 ~~Water Rationing~~, Water Users shall revert to Stage 1 ~~Water Conservation~~. ~~If California American Water's year-to-date production exceeds the year-to-date goal specified in Rule 162 and Rule 163 Table XV-1 of Rule 162, California American Water Users shall revert to Stage 2 or Stage 3 Water Conservation.~~

3. ***Where Stage 5 has been imposed upon any Water Distribution System to comply with a final Cease and Desist Order by the State Water Resources Control Board, the Seaside Watermaster or any other final court order, Stage 5 shall continue until a Resolution of the Board of Directors is adopted that finds that the triggering order has been lifted or no longer applies to that Water Distribution System.***

4. Emergency

Upon correction of a water supply limitation caused by an emergency, Stage 5 ~~Water Rationing~~ shall be rescinded by Resolution of the Board of Directors.

5. Restoration of Lower Stage

A Resolution causing the sunset of Stage 5 may also activate any lower Stage as may be warranted for good cause by circumstances affecting a particular Water Distribution System, private Well, or Water User.

DC. AFFECTED WATER USERS AFFECTED WATER USERS

~~Stage 5 Water Rationing shall apply to all~~ ***The Board of Directors may exempt a*** Water Distribution Systems, private Wells, or Water Users ~~within the MPWRS~~

~~unless specifically exempt by action of the Board of Directors or unless proof is provided to demonstrate~~ **from Stage 5 restrictions upon proof of** a superior, unimpaired water right ~~to exempt the Water Distribution System, private Well, or Water User from the Stage 5 rationing restrictions.~~ Evidence of riparian water rights may be established by a Declaration under penalty of perjury, unless it is refuted by other proof. As necessary to ensure adequate water supplies, the Board of Directors may act within its discretion to authorize ~~activation of Stage 5 Water Rationing~~ within one or more Water Distribution Systems, **private Wells, or Water Users** in the District.

ED. CONSERVATION REQUIREMENTS CONTINUE

Requirements imposed by ~~implementation of Stage 1~~ shall remain in force **during Stage 5.** ~~Requirements may be modified or superseded by actions taken in this or future stages of the Expanded Water Conservation and Standby Rationing Plan.~~

EE. MORATORIUM

~~Immediately following~~ **Upon** declaration of Stage 5 ~~Water Rationing~~, the District shall cease accepting Water Permit applications associated with Intensification of Use **for any affected Water Distribution System, private Well, or Water User in the District.** All pending Water Permits not issued within 120 days of declaration shall be suspended. This provision shall not suspend the issuance of Water Permits that utilize public or private Water Use Credits or where issuance of a Permit is required by prior agreement **or Water Entitlement issued by the District.**

GF. REDUCTION GOAL

Stage 5 ~~Water Rationing~~ **shall achieve** water use reductions of ~~20~~ **16-34** percent of the California American Water and non-California American Water system production limits in each User Category as follows: Residential single-family and multi-family, Commercial, Industrial, Public Authority, Golf Course, "Other," Non-Revenue Metered Uses, and Reclaimed Water Users.

HG. NOTICE

1. California American Water shall provide written notice of mandatory water rationing to every ~~Residential~~ **Residential** and ~~to every~~ Non-Residential

~~business or~~ Water User within the California American Water systems via first-class mail at least thirty (30) days before the first day ~~of rationing~~ ***Stage 5 water use restrictions are imposed.***

~~Further,~~ ***During Stage 5,*** California American Water shall send monthly reminders of water rationing in the water bill along with information showing the User's Water Ration, the quantity of the Water Ration consumed, and the quantity of water available in the ***Water*** User's Water Bank ***(when Water Banking is available).*** Finally, California American Water shall update survey information ~~upon request~~ ***as needed.***

2. All other Water Distribution System Operators ~~affected by~~ ***subject to*** Stage 5 ~~Water Rationing~~ ***restrictions*** shall provide written notice of mandatory water rationing to every ~~residence and to every Non-Residential business or~~ Water User within the Water Distribution System via first-class mail at least thirty (30) days before the first day ~~of rationing~~ ***Stage 5 water use restrictions are imposed.***

~~Further,~~ ***At all times during Stage 5, each*** Water Distribution System Operator shall send monthly reminders of water rationing along with information showing the Water Ration and the quantity of the Water Ration consumed by the Water User. Finally, the Water Distribution System Operator shall provide each Responsible Party with a survey form at least once each ~~calendar~~ ***Rationing Year during Stage 5.*** Water Distribution System Operators shall ensure that notices provided or required by the District shall be distributed to the system Water Users.

3. ***Upon direction of the General Manager,*** ~~The District shall~~ ***notify*** ***publish a notice of Water Rationing to*** all Water Users of private Wells (Single-Parcel Connection Systems) within the MPWRS at least thirty (30) days before the first day of Stage 5. ~~Water Rationing. Notice shall be via first class mail and shall explain the requirements for Stage 5 Water Rationing and shall provide and/or request additional information from the private Well Owner as deemed necessary for the efficient operation of the program.~~

4. California American Water Rationing Rates

California American Water shall implement the CPUC-approved ~~R~~ationing ~~R~~ates schedule. California American Water shall file an Advice Letter with the CPUC to implement ~~R~~ationing ~~R~~ates after it has first met and conferred with the District at least five (5) days in advance of that filing. The General Manager may waive this time period for good cause.

5. California American Water and all other Water Distribution System Operators ~~and the District~~ shall notify Water Users of the Sunset of Stage 5 ~~Water Rationing~~. ***Notice shall be via first class mail. The District shall publish a notice to inform all Private Well Owners that Stage 5 has sunset.***

~~I~~H. RATIONS BY CATEGORY

Water Rations shall be determined by User Category. Each Water User within the Monterey Peninsula Water Resource System shall be classified in one of the following groups: Residential single-family and multi-family, Commercial, ~~I~~ndustrial, Public Authority, Golf Course, "Other," Non-Revenue Metered Use, and Reclaimed Water Users.

~~I~~I. REDUCED CALIFORNIA AMERICAN WATER ANNUAL PRODUCTION DURING STAGE 5 ~~WATER RATIONING~~

The California American Water annual production limit shall be reduced by ~~20~~ 16-34 percent during Stage 5 ~~Water Rationing~~. The resulting production limit shall be further reduced by ***the average Unaccounted For Water Use percentage of the Water Distribution System(s) for the twelve (12) months preceding Stage 5, and by a*** ~~Water Rationing~~ ~~Contingency~~ determined by the Board. ~~Seven (7) percent of the remainder shall be the maximum California American Water Unaccounted For Water Use ration.~~ The remaining water shall be the California American Water annual production limit for all User Categories.

~~K~~J. REDUCED NON-CALIFORNIA AMERICAN WATER ANNUAL PRODUCTION LIMITS DURING STAGE 5 ~~WATER RATIONING~~

Available production for other Water Distribution Systems subject to Stage 5 ~~Water Rationing~~ shall be determined using the same methodology as for California American Water ~~without including a deduction for Unaccounted For~~

~~Water Uses.~~ *Systems with less than ten (10) connections shall not have a deduction for Unaccounted For Water Use.* ~~The non-California American Water annual production limit for the Monterey Peninsula Water Resource System shall be used as the maximum production limit.~~

LK. ESTABLISHING THE RATIONS

1. Rations for each User Category shall be determined by the General Manager by dividing the reduced available production by the percentage of use *for each Water Distribution System subject to water rationing.* The percentage of use for each User Category shall be determined by the most recent unrationed Water Year (October 1 through September 30) data. *Priority Water Rations shall be given to Residential water needs to ensure health, safety and welfare. Residential Water Rations shall under no circumstance be less than 35 gallons per person per day.* ~~provided by California American Water for Water Users of the Main California American Water System California American Water that derive water from the MPWRS, and by data provided by the District from its annual Well reporting program for non-California American Water Distribution Systems.~~

a. Residential Water Users

Each Residential Water User either served by a water meter reported as "single-family residential" by the Water Distribution System or served by a private Well shall have an equal portion of the water available to the single-family Residential category based upon the number of residents reported on the survey form.

2. Multi-Family Residential Water Users

Each multi-family Residential Water User either served by a water meter reported as "multi-family residential" by the Water Distribution System or served by a private Well shall have an equal portion of the water available to the multi-family Residential category based upon the number of residents reported on the survey form with the following exception:

- a. Multi-Family Residential Sites with common laundry facilities on a separate water meter shall receive a ~~one-unit~~ Water Ration for each

Dwelling Unit that has access to the facility. Each Dwelling Unit located on the Multi-Family Residential Site that has access to the common laundry facility shall have the Dwelling Unit ration reduced by one unit of water.

3. Commercial and Industrial Water Users

Each ~~commercial/industrial~~ **Commercial and Industrial** Water User ~~either served by a water meter reported as "commercial" or "industrial" by the Water Distribution System~~ shall have a Water Ration determined by applying the current ~~commercial~~ **Non-Residential** Water Use Factors *to the type(s) of use and/or by using the Landscape Water Budget established for the Water User. An alternate Water Ration (variance) may be determined by completion of an audit by California American Water or the District that documents use of Best Management Practices for the type of use.*

- a. Mixed Use Water Users. Mixed Use Water Users shall be classified as Commercial Uses for the purposes of this program. *The Water Ration for a Mixed Use Water User shall include an increment of water for the Residential Water User.*

4. Public Authority

Public Authority Uses shall be rationed by Jurisdiction. Each Public Authority Water User may combine multiple accounts or Connections when the accounts are located within one Jurisdiction. *Water Rations shall be determined by applying the current Non-Residential Water Use Factors to the type(s) of use and/or by using the Landscape Water Budget established for the Water User. An alternate Water Ration (variance) may be determined by completion of an audit by California American Water or the District that documents use of Best Management Practices for the type of use.*

5. Golf Courses

Golf Courses supplied water exclusively by the California American Water or non-California American Water Distribution Systems or Wells may be rationed individually or, upon request to the General Manager, as a

group. *Water Rations shall be determined by using the Landscape Water Budget.*

6. Other

Water Users utilizing portable water meters or hydrant meters shall be required to employ Best Management Practices. California American Water shall be required to report monthly to the District the location and Responsible Party for all portable water meters and the amount of use from those meters. As deemed necessary to achieve the imposed reduction in use, the District may condition use *or suspend use* of temporary Connections.

7. Non-Revenue Metered Users

Non-Revenue Metered Uses shall be rationed as a group with the following exception:

- a. Irrigation required by the Mitigation Program adopted when the Water Allocation Program Environmental Impact Report was adopted in 1990, and as required by SWRCB Order No. WR 95-10, shall not be subject to reductions in use. Required irrigation of the Riparian Corridor shall be identified and reported separately from other Non-Revenue Metered Uses.

~~8. Non-California American Water Wells~~

~~Regulations for rationing non-California American Water Wells located within the MPWRS that are not supplying water to a distribution system shall be considered by the Board prior to implementation of Stage 5 Water Rationing.~~

98. Recycled Water Users

Recycled Water Irrigation Areas receiving water from the CAWD/PBCSD Wastewater Reclamation Project shall be subject to Stages 5 ~~Water Rationing~~ and higher for Potable water used during an Interruption or emergency, in accordance with contractual Agreements between the

District and the respective Owners of the Recycled Water Irrigation Areas.

- a. Before Project Expansion Is Completed. Under the agreements operative before the Project Expansion is Completed (as the capitalized terms are defined in Rule 23.5), the Owners of the Recycled Water Irrigation Areas shall have the respective irrigation requirements thereof satisfied to the same degree as any non-Project Golf Course or open space which derive their Source of Supply from the California American Water system. The irrigation requirements of the Recycled Water Irrigation Areas will be determined based on the most-recent non-rationed four-year average irrigation water demand, including both Recycled Water and Potable water, for each Recycled Water Irrigation Area. The use of Recycled Water, when available in sufficient quantities to satisfy the irrigation requirements of the Recycled Water Irrigation Areas, shall not be restricted by this requirement.

Each Recycled Water Irrigation Area shall be entitled to receive the average irrigation requirement determined above, reduced by the percentage reduction required by the current stage of rationing. If the quantity of Recycled Water that is available is less than the quantity of water that the Recycled Water Irrigation Area is entitled to, Potable water shall be provided to make up the difference and satisfy the irrigation requirements of the Recycled Water Irrigation Area to the same degree that the irrigation requirements of non-Project Golf Course and open space Users are being satisfied.

The District shall ensure that the water provided during water rationing is of adequate quality. If the quality does not satisfy the contractual agreement operative before the Project Expansion is deemed Completed (as the capitalized terms are defined in Rule 23.5), Potable water shall be provided in sufficient quantities to improve the quality of the Recycled Water.

This Subsection **L-9K-8-a** shall cease to be operative once the Project Expansion is deemed to be Completed (as the capitalized terms are defined in Rule 23.5), and shall thereafter be of no force or effect.

- b. When Project Expansion Is Completed. Under the agreements operative once the Project Expansion is deemed Completed (as the capitalized terms are defined in Rule 23.5), the Owners of the Recycled Water Irrigation Areas shall have the respective irrigation requirements thereof satisfied to the same degree as any non-Project Golf Course or open space which derives its Source of Supply from the California American Water system. The irrigation requirements of the Recycled Water Irrigation Areas will be determined based on the most-recent non-rationed four-year average irrigation water demand, including both Recycled Water and Potable water, for each respective Recycled Water Irrigation Area.

Each Recycled Water Irrigation Area shall be entitled to receive the average irrigation requirement determined above, reduced by the percentage reduction required by the current stage of rationing. If the quantity of Recycled Water that is available is less than the quantity of water that the Recycled Water Irrigation Area is entitled to, Potable water shall be provided to make up the difference and satisfy the irrigation requirements of the Recycled Water Irrigation Areas to the same degree that the irrigation requirements of non-Project Golf Course and open space Users are being satisfied.

The preceding sentence shall not apply to the extent that the irrigation requirements of any Recycled Water Irrigation Area are met with water legally available to Buyer from any source other than the Carmel River System or the Seaside Groundwater Basin, including percolating Groundwater underlying Buyer's Property, to make up any such difference.

When Recycled Water (as defined in Rule 23.5) is available in sufficient quantities to satisfy the irrigation requirements of the Recycled Water Irrigation Areas, such irrigation shall not be subject to Stages 5 ~~Water Rationing~~ and higher, and neither Potable water nor any water described in the preceding sentence (whether or not it is Potable) shall be used for irrigation of the Recycled Water Irrigation Areas except to the extent allowed in the circumstances described in the next two sentences.

If there is an Interruption in Recycled Water deliveries to any Recycled Water Irrigation Area (as the capitalized terms are defined in Rule 23.5), the temporary use of Potable water for irrigating each such Recycled Water Irrigation Area is authorized in the manner described in Rule 23.5, Subsection F.

If MPWMD has adopted an ordinance in response to any emergency caused by drought, or other threatened or existing water shortage pursuant to section 332 of the Monterey Peninsula Water Management Law, said ordinance shall prevail over contrary provisions of this Rule. Notwithstanding the preceding sentence, Potable water shall be made available for irrigating tees and greens of the Recycled Water Irrigation Areas in sufficient quantities to maintain them in good health and condition during an Interruption, without any limitation on the duration.

The District shall have no obligation to furnish Potable water for irrigation of the Recycled Water Irrigation Areas except in the circumstances set forth above in this Subsection ~~L-9K-8-b~~.

If (1) an emergency or major disaster is declared by the President of the United States, or (2) a "state of war emergency," "state of emergency," or "local emergency," as those terms are respectively defined in Government Code section 8558, has been duly proclaimed pursuant to the California Emergency Services Act, with respect to all or any portion of the territory of MPWMD, the provisions of this Subsection ~~L-9K-8-b~~ shall yield as necessary to respond to the conditions giving rise to the declaration or proclamation.

This Subsection ~~L-9K-8-b~~ shall be of no force or effect until the Project Expansion is deemed Completed (as the capitalized terms are defined in Rule 23.5), and shall thereafter be operative and of full force and effect.

~~ML~~. **ADDITIONAL CONSERVATION ACTIONS**

By Resolution, ~~t~~he Board shall ~~reconsider~~ adopting restrictions on ~~Non-Residential~~ outdoor water use that may include any or all of the following **and**

any other conservation method deemed feasible: Limit outdoor watering and irrigation to one day per week; or one day every other week; or prohibit outdoor watering and irrigation with water from the affected water resource system(s); prohibit irrigation of non-turf areas with water from the affected water resource system(s); discontinue irrigation of Public Landscaped areas; reduce Golf Course irrigation from the affected Water Distribution System(s) to a percentage of the amount required to water tees, greens and landing areas only; prohibit the use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle unless done at a facility that recycles water; prohibit the use of water from hydrants for construction purposes or any other purposes other than fire fighting. The use of Recycled Water, when available, shall not be restricted by this requirement.

Section Ten: Amendment to Rule 166

Rule 166 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 166 - STAGE 6 WATER RATIONING

~~A. Stage 6 Water Rationing is defined as the sixth stage in the District's Expanded Water Conservation and Standby Rationing Plan. that responds to a drought situation, or other threatened or existing emergency water supply shortage with a 35-49 percent reduction goal from system production limits. Reductions are achieved by water use cutbacks by User Category and by per capita Water Rations and a moratorium on Water Permits that utilize Water Credits.~~

B4. TRIGGER

1. ~~Water Supply Limitation~~ ***Physical Shortage Trigger***

Stage 6 ~~Water Rationing~~ shall ~~become effective~~ ***effective take effect for any Water Distribution System that that relies, in whole or in part, on production or production offsets from Carmel River System or the Seaside Coastal Subareas*** on June 1 or such earlier date as may be set by the Board following the District's May Board meeting if total usable storage in the ***Carmel River System and the Seaside Coastal Subareas*** ~~MPWRS~~ on May 1 is less than 15,615 Acre-Feet and greater than 9,610

Acre-Feet. If total usable storage is equal to or greater than 27,807 Acre-Feet on May 1, no water rationing shall be imposed.

The General Manager may delay implementation of Stage 6 Water Rationing to ensure adequate operation of the program. Delays authorized by the General Manager shall not exceed 90 days.

2. **Regulatory Trigger – Legally Ordered Reduction in Supply**

Stage 6 shall be enforced in any Water Distribution System, including any California American Water subsystem, when that system is required to comply with a final Cease and Desist Order by the State Water Resources Control Board, the Seaside Watermaster or any other final court order that reduces available supplies by:

- (a) *Thirty-five percent (35%) but less than fifty percent (50%) from pre-1995 production (16,806 AFA) in the Main California American Water System. This shall apply to any Water Distribution System that relies, in whole or in part, on production or production offsets from the Main California American Water System, or*
- (b) *Thirty-five percent (35%) but less than fifty percent (50%) from base year production (the term "base year" shall refer to the Water Year immediately preceding any triggering order) for any Water Distribution System that does not rely to any extent upon production or production offsets from the Main California American Water System.*

3. **Emergency Trigger**

Stage 6 Water Rationing shall be implemented for any Water Distribution System, private Well, or Water User upon adoption of a Resolution of the Board of Directors. In that Resolution, the Board shall find when there is need for an immediate need to reduce production by at least thirty-five percent (35%) but less than fifty percent (50%). water use reduction requirement in response to an unexpected water supply shortage.

4. **Delay of Stage Implementation**

The General Manager may delay implementation of Stage 6 Water Rationing *for any Water Distribution System* to ensure adequate operation of the program. Delays authorized by the General Manager shall not exceed *ninety (90)* days.

CB. SUNSET OF STAGE 6 WATER RATIONING

1. Water Supply Availability

Stage 6 ~~Water Rationing~~ shall continue ~~to have force and effect~~ until rescinded by Resolution of the Board of Directors. ~~upon a determination~~ ***In that Resolution, the Board shall find*** that the total usable storage in the ***Carmel River System and the Seaside Coastal Subareas MPWRS*** is greater than 15,615 Acre-Feet. This determination will normally be made at the Board's May meeting. However, a determination to rescind Stage 6 ~~Water Rationing~~ ***may be made*** as early as the following January Board meeting ~~can be made~~ if the total usable storage in the ***Carmel River System and the Seaside Coastal Subareas MPWRS*** is equal to or greater than 27,807 Acre-Feet on January 1.

2. In the event total usable storage is greater than 27,807 Acre-Feet, the General Manager shall review California American Water's year-to-date production. Upon compliance with the monthly year-to-date goals specified in Table XV-1 of Rule 162 and, unless otherwise specified in the Resolution rescinding Stage 6 ~~Water Rationing~~, Water Users shall revert to Stage 1. ~~Water Conservation. If California American Water's year-to-date production exceeds the year-to-date goal specified in Table XV-1 of Rule 162, California American Water Users shall revert to Stage 2 or Stage 3 Water Conservation.~~

3. ***Where Stage 6 has been imposed upon any Water Distribution System to comply with a final Cease and Desist Order by the State Water Resources Control Board, the Seaside Watermaster or any other final court order, Stage 6 shall continue until a Resolution of the Board of Directors is adopted that finds that the triggering order has been lifted or no longer applies to that Water Distribution System.***

34. Emergency

Upon correction of a water supply limitation caused by an emergency, Stage 6 ~~Water Rationing~~ shall be rescinded by Resolution of the Board of Directors.

5. **Restoration of Lower Stage**

A Resolution causing the sunset of Stage 6 may also activate any lower Stage as may be warranted for good cause by circumstances affecting a particular Water Distribution System, private Well, or Water User.

DC. AFFECTED WATER USERS

~~Stage 6 Water Rationing shall apply to all~~ *The Board of Directors may exempt a Water Distribution Systems, private Wells, or Water Users within the MPWRS unless specifically exempt by action of the Board of Directors or unless proof is provided to demonstrate from Stage 6 restrictions upon proof of a superior, unimpaired water right to exempt the Water Distribution System, private Well, or Water User from the Stage 5 rationing restrictions.* Evidence of riparian water rights may be established by a Declaration under penalty of perjury, unless it is refuted by other proof. As necessary to ensure adequate water supplies, the Board of Directors may act within its discretion to authorize activation of Stage 6 ~~Water Rationing~~ within one or more Water Distribution Systems, *private Wells, or Water Users* in the District.

ED. CONSERVATION REQUIREMENTS CONTINUE

Requirements imposed by ~~implementation of the Expanded Water Conservation and Standby Rationing Plan through Stage 1 and Stage 5 Water Rationing~~ shall remain in force *during Stage 6.* ~~Requirements may be modified or superseded by actions taken in this or future stages of the Expanded Water Conservation and Standby Rationing Plan.~~

EE. MORATORIUM

~~Immediately following~~ *Upon* declaration of Stage 6 ~~Water Rationing~~, the District shall suspend acceptance of all Water Permit applications that utilize a public or private Water Use Credit *for any affected system, private Well, or Water User.* All pending Water Permits not issued within 120 days of declaration shall be suspended. *This provision shall not suspend the issuance of Water Permits*

where issuance of a Permit is required by prior agreement or Water Entitlement issued by the District. Expiration of Water Use Credits shall be suspended during Stage 6 and Stage 7.

GF. REDUCTION GOAL

Stage 6 ~~Water Rationing~~ shall achieve water use reductions of ~~35~~ **35-49** percent of the California American Water and non-California American Water system production limits in each User Category as follows: Residential single-family and multi-family, Commercial, Industrial, Public Authority, Golf Course, "Other," Non-Revenue Metered Uses, and Reclaimed Water Users.

HG. NOTICE

1. California American Water shall provide written notice of mandatory water rationing to every ~~Residential~~ and ~~to every~~ Non-Residential ~~business or~~ Water User within the California American Water systems via first-class mail at least thirty (30) days before the first day ~~of rationing~~ **Stage 6 water use restrictions are imposed.**

~~Further,~~ **During Stage 6,** California American Water shall send monthly reminders of water rationing in the water bill along with information showing the User's Water Ration, the quantity of the Water Ration consumed, and the quantity of water available in the **Water** User's Water Bank (**when Water Banking is available**). Finally, California American Water shall update survey information ~~upon request~~ **as needed.**

2. All other Water Distribution System Operators ~~affected by~~ **subject to** Stage 6 ~~Water Rationing~~ **restrictions** shall provide written notice of mandatory water rationing to every ~~residence and to every Non-Residential business or~~ Water User within the Water Distribution System via first-class mail at least thirty (30) days before the first day ~~of rationing~~ **Stage 6 water use restrictions are imposed.**

~~Further,~~ **During Stage 6,** ~~the~~ **each** Water Distribution System Operator shall send monthly reminders of water rationing along with information showing the Water Ration and the quantity of the Water Ration consumed by the Water User. Finally, the Water Distribution System Operator shall provide each Responsible Party with a survey form at least once each

~~calendar~~ **Rationing Year during Stage 6.** Water Distribution System Operators shall ensure that notices provided or required by the District shall be distributed to the system Water Users.

3. ***Upon direction of the General Manager,*** ~~the~~ District shall ~~notify~~ ***publish a notice of Water Rationing to*** all Water Users of private Wells (Single-Parcel Connection Systems) within the MPWRS at least thirty (30) days before the first day of Stage 6 ~~Water Rationing~~. ~~Notice shall be via first class mail and shall explain the requirements for Stage 6 Water Rationing and shall provide and/or request additional information from the private Well Owner as deemed necessary for the efficient operation of the program.~~

4. California American Water Rationing Rates

California American Water shall implement the CPUC-approved ~~R~~rationing ~~R~~ates schedule. California American Water shall file an Advice Letter with the CPUC to implement ~~R~~rationing ~~R~~ates after it has first met and conferred with the District at least five (5) days in advance of that filing. The General Manager may waive this time period for good cause.

5. California American Water and all other Water Distribution System Operators ~~and the District~~ shall notify Water Users of the Sunset of Stage 6 ~~Water Rationing~~. ***Notice shall be via first class mail. The District shall publish a notice to inform all Private Well Owners that Stage 6 has sunset.***

III. RATIONS BY CATEGORY

Water Rations shall be determined by User Category. Each Water User within the Monterey Peninsula Water Resource System shall be classified in one of the following groups: Residential single-family and multi-family, Commercial, Industrial, Public Authority, Golf Course, "Other," Non-Revenue Metered Use, and Reclaimed Water Users.

IV. REDUCED CALIFORNIA AMERICAN WATER ANNUAL PRODUCTION DURING STAGE 6 ~~WATER RATIONING~~

The California American Water annual production limit shall be reduced by 35-49 percent during Stage 6 ~~Water Rationing~~. The resulting production limit shall be further reduced by *the average Unaccounted For Water Use percentage of the Water Distribution System for the twelve (12) months preceding water rationing, and by a ~~w~~Water ~~r~~Rationing ~~e~~Contingency* determined by the Board. ~~Seven (7) percent of the remainder shall be the maximum California American Water Unaccounted For Water Use ration.~~ The remaining water shall be the California American Water annual production limit for all User Categories.

~~K.J.~~ REDUCED NON-CALIFORNIA AMERICAN WATER ANNUAL PRODUCTION LIMITS DURING STAGE 6 ~~WATER RATIONING~~

Available production for other Water Distribution Systems subject to Stage 6 ~~Water Rationing~~ shall be determined using the same methodology as for California American Water ~~without including a deduction for Unaccounted For Water Uses~~. *Systems with less than ten (10) connections shall not have a deduction for Unaccounted For Water Use.* ~~The non-California American Water annual production limit for the Monterey Peninsula Water Resource System shall be used as the maximum production limit.~~

~~L.K.~~ ESTABLISHING THE RATIONS

Rations for each User Category shall be determined by the General Manager *using the process set forth in Rule 165-K.* ~~by dividing the reduced available production by the percentage of use. The percentage of use for each User Category shall be determined by the most recent unrated Water Year (October 1 through September 30) data, provided by California American Water for Water Users of the Main California American Water System California American Water that derive water from the MPWRS, and by data provided by the District from its annual Well reporting program for non-California American Water Distribution Systems.~~

~~All Water Users shall be rationed by User Category as outlined in Rule 165 (Stage 5 Water Rationing).~~

~~L.~~ ELIMINATION OR MODIFICATION OF NON-RESIDENTIAL VARIANCES FOR BEST MANAGEMENT PRACTICES

The General Manager shall require a percentage reduction of all Non-Residential Water Users granted a variance for complying with BMPs for the type of use. The amount of the percentage reduction shall be determined by the General Manager following review of the success of Non-Residential rationing during Stage 5.

M. **ADDITIONAL CONSERVATION ACTIONS**

1. *By Resolution, the Board shall reconsider adopting restrictions on Non-Residential outdoor water use that may include any or all of the following and any other conservation method deemed feasible: Limit outdoor watering and irrigation to one day per week, or one day every other week, or prohibit outdoor watering and irrigation with water from the affected water resource system(s); prohibit irrigation of non-turf areas with water from the affected water resource system(s); discontinue irrigation of Public Landscaped areas; reduce Golf Course irrigation from the affected Water Distribution System(s) to a percentage of the amount required to water tees, greens and landing areas only; prohibit the use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle unless done at a facility that recycles water; prohibit the use of water from hydrants for construction purposes or any other purposes other than fire fighting. The use of Recycled Water, when available, shall not be restricted by this requirement.*
2. *All Water Users shall cease operation and maintenance of all ornamental water uses (fountains, ponds, etc.) that use water from the affected water supply system(s). Ornamental water uses supplied with water from other sources shall clearly display information about the source of water on or immediately adjacent to the use.*

N. ~~Elimination or modification of Commercial/Industrial variances for Best Management Practices.~~

~~The General Manager shall be authorized to require a percentage reduction of all Commercial/Industrial Water Users granted a variance for complying with BMPs for the type of use. The amount of the percentage reduction shall be determined by the General Manager following review of the success of Commercial/Industrial rationing during Stage 5 Water Rationing prior to Stage 6 Water Rationing.~~

O. ~~All Water Users shall cease operation and maintenance of all ornamental water uses (fountains, ponds, etc.) that use water from the affected water supply system(s). Ornamental water uses supplied with water from other sources shall clearly display information about the source of water on or immediately adjacent to the use;~~

PN. PROHIBITION ON USE OF WATER FOR DUST CONTROL

The use of water from the Monterey Peninsula Water Resource System shall be prohibited for dust control purposes, except by prior approval of the General Manager. Decisions of the General Manager shall be final.

Section Eleven: Amendment to Rule 167

Rule 167 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 167 - STAGE 7 WATER RATIONING

A. ~~Stage 7 Water Rationing is defined as the seventh stage in the District's Expanded Water Conservation and Standby Rationing Plan. that responds to a drought situation, or other threatened or existing emergency water supply shortage, or Cease and Desist Order with a 50 percent or greater reduction goal from system production limits. Reductions are achieved by water use cutbacks by User Category and by per capita Water Rations and a moratorium on Water Permits that utilize Water Credits.~~

B4. TRIGGER

1. ~~Water Supply Limitation~~ ***Physical Shortage*** Trigger

Stage 7 ~~Water Rationing~~ shall ~~become effective~~ ***effective take effect for any Water Distribution System that that relies, in whole or in part, on production or production offsets from the Carmel River System or the Seaside Coastal Subareas*** on June 1 or such earlier date as may be set by the Board following the District's May Board meeting if total usable storage in the ***Carmel River System and the Seaside Coastal Subareas*** ~~MPWRS~~ on May 1 is less than 9,610 Acre-Feet. If total usable storage is equal to or greater than 27,807 Acre-Feet on May 1, no water rationing shall be imposed.

2. **Regulatory Trigger – Legally Ordered Reduction in Supply**

Stage 7 shall be enforced in any Water Distribution System, including any California American Water subsystem, when that system is required to comply with a final Cease and Desist Order by the State Water Resources Control Board, the Seaside Watermaster or any other final court order that reduces available supplies by:

- (a) *Fifty percent (50%) or more from pre-1995 production (16,806 AFA) in the Main California American Water System. This shall apply to any Water Distribution System that relies, in whole or in part, on production or production offsets from the Main California American Water System, or*
- (b) *Fifty percent (50%) or more from base year production (the term “base year” shall refer to the Water Year immediately preceding any triggering order) for any Water Distribution System that does not rely to any extent upon production or production offsets from the Main California American Water System.*

23. **Emergency Trigger**

Stage 7 ~~Water Rationing~~ shall be implemented *for any Water Distribution System, private Well, or Water User upon adoption of a Resolution of the Board of Directors. In that Resolution, the Board shall find when there is need for an immediate need to reduce production by at least fifty percent (50%).* ~~water use reduction requirement in response to an unexpected water supply shortage.~~

4. **Delay of Stage Implementation**

The General Manager may delay implementation of Stage 7 Water Rationing for any Water Distribution System to ensure adequate operation of the program. Delays authorized by the General Manager shall not exceed ninety (90) days.

CB. **SUNSET OF STAGE 7 ~~WATER RATIONING~~**

1. **Water Supply Availability**

Stage 7 ~~Water Rationing~~ shall continue ~~to have force and effect~~ until rescinded by Resolution of the Board of Directors. ~~upon a determination~~ ***In that Resolution, the Board shall find*** that the total usable storage in the ***Carmel River System and the Seaside Coastal Subareas*** ~~MPWRS~~ is greater than 9,610 Acre-Feet. This determination will normally be made at the Board's May meeting. However, a determination to rescind Stage 7 ~~Water Rationing~~ ***may be made*** as early as the following January Board meeting ~~can be made~~ if the total usable storage in the ***Carmel River System and the Seaside Coastal Subareas*** ~~MPWRS~~ is equal to or greater than 27,807 Acre-Feet on January 1.

2. In the event total usable storage is greater than 27,807 Acre-Feet, the General Manager shall review California American Water's year-to-date production. Upon compliance with the monthly year-to-date goals specified in Table XV-1 of Rule 162 and, unless otherwise specified in the Resolution rescinding Stage 7 ~~Water Rationing~~, Water Users shall revert to Stage 1 ~~Water Conservation~~. ~~If California American Water's year-to-date production exceeds the year to date goal specified in Rule 162 and Rule 163 Table XV-1 of Rule 162, California American Water Users shall revert to Stage 2 or Stage 3 Water Conservation.~~
3. ***Where Stage 7 has been imposed upon any Water Distribution System in order to comply with a final Cease and Desist Order by the State Water Resources Control Board, the Seaside Watermaster or any other final court order, Stage 7 shall continue until a Resolution of the Board of Directors is adopted that finds that the triggering order has been lifted or no longer applies to that Water Distribution System.***

34. Emergency

Upon correction of a water supply limitation caused by an emergency, Stage 7 ~~Water Rationing~~ shall be rescinded by Resolution of the Board of Directors.

5. Restoration of Lower Stage

A Resolution causing the sunset of Stage 7 may also activate any lower Stage as may be warranted for good cause by circumstances affecting a particular Water Distribution System, private Well, or Water User.

DC. AFFECTED WATER USERS

~~Stage 7 Water Rationing shall apply to all~~ *The Board of Directors may exempt a Water Distribution Systems, private Wells, or Water Users within the MPWRS unless specifically exempt by action of the Board of Directors or unless proof is provided to demonstrate* ***from Stage 7 restrictions upon proof of*** a superior, unimpaired water right ~~to exempt the Water Distribution System, private Well, or Water User from the Stage 7 rationing restrictions.~~ Evidence of riparian water rights may be established by a Declaration under penalty of perjury, unless it is refuted by other proof. As necessary to ensure adequate water supplies, the Board of Directors may act within its discretion to authorize activation of Stage 7 ~~Water Rationing~~ within one or more Water Distribution Systems, *private Wells, or Water Users* in the District.

ED. CONSERVATION REQUIREMENTS CONTINUE

Requirements imposed ~~by implementation of the Expanded Water Conservation and Standby Rationing Plan through~~ ***by Stage 1, Stage 5 and Stage 6*** ~~Water Rationing~~ shall remain in force ***during Stage 7.*** Requirements ~~may be modified or superseded by actions taken in this stage of the Expanded Water Conservation and Standby Rationing Plan.~~

FE. REDUCTION GOAL

Stage 7 ~~Water Rationing~~ ***shall achieves*** water use reductions of ***at least 50 fifty*** percent ***(50%)*** of the California American Water and non-California American Water system production limits in each User Category as follows: Residential single-family and multi-family, Commercial, Industrial, Public Authority, Golf Course, "Other," Non-Revenue Metered Uses, and Reclaimed Water Users.

GF. NOTICE

1. California American Water shall provide written notice of mandatory water rationing to every ~~Residential~~ ***Residential*** and ~~to every~~ Non-Residential ~~business or~~ Water User within the California American Water systems via

first-class mail at least thirty (30) days before the first day ~~of rationing~~
Stage 7 water use restrictions are imposed.

~~Further,~~ *During Stage 7*, California American Water shall send monthly reminders of water rationing in the water bill along with information showing the User's Water Ration, the quantity of the Water Ration consumed, and the quantity of water available in the *Water* User's Water Bank (*when Water Banking is available*). Finally, California American Water shall update survey information ~~upon request~~ *as needed*.

2. All other Water Distribution System Operators ~~affected by~~ *subject to* Stage 7 ~~Water Rationing~~ *restrictions* shall provide written notice of mandatory water rationing to every ~~residence and to every Non Residential business or~~ Water User within the Water Distribution System via first-class mail at least thirty (30) days before the first day ~~of rationing~~ *Stage 7 water use restrictions are imposed.*

~~Further,~~ *During Stage 7, the* ~~each~~ Water Distribution System Operator shall send monthly reminders of water rationing along with information showing the Water Ration and the quantity of the Water Ration consumed by the Water User. Finally, the Water Distribution System Operator shall provide each Responsible Party with a survey form at least once each ~~calendar~~ *Rationing Year during Stage 7*. Water Distribution System Operators shall ensure that notices provided or required by the District shall be distributed to the system Water Users.

3. *Upon direction of the General Manager,* ~~the~~ District shall ~~notify~~ *publish a notice of Water Rationing to* all Water Users of private Wells (Single-Parcel Connection Systems) within the MPWRS at least thirty (30) days before the first day of Stage 7 ~~Water Rationing~~. ~~Notice shall be via first class mail and shall explain the requirements for Stage 7 Water Rationing and shall provide and/or request additional information from the private Well Owner as deemed necessary for the efficient operation of the program.~~

4. California American Water Rationing Rates

California American Water shall implement the CPUC-approved ~~R~~rationing ~~R~~ates schedule. California American Water shall file an

Advice Letter with the CPUC to implement ~~R~~ationing ~~R~~ates after it has first met and conferred with the District at least five (5) days in advance of that filing. The General Manager may waive this time period for good cause.

5. California American Water and all other Water Distribution System Operators ~~and the District~~ shall notify Water Users of the Sunset of Stage 7 ~~Water Rationing~~. ***Notice shall be via first class mail. The District shall publish a notice to inform all Private Well Owners that Stage 7 has sunset.***

~~HG.~~ RATIONS BY CATEGORY

Water Rations shall be determined by User Category. Each Water User within the Monterey Peninsula Water Resource System shall be classified in one of the following groups: Residential single-family and multi-family, Commercial, Industrial, Public Authority, Golf Course, "Other," Non-Revenue Metered Use, and Reclaimed Water Users.

~~IH.~~ REDUCED CALIFORNIA AMERICAN WATER ANNUAL PRODUCTION DURING STAGE 7 ~~WATER RATIONING~~

The California American Water annual production limit shall be reduced by ***at least 50 fifty percent (50%)*** during Stage 7 ~~Water Rationing~~. The resulting production limit shall be further reduced by ***the average Unaccounted For Water Use percentage of the Water Distribution System for the twelve months preceding water rationing, and by a ~~w~~Water ~~R~~ationing ~~e~~Contingency*** determined by the Board. ~~Seven (7) percent of the remainder shall be the maximum California American Water Unaccounted For Water Use ration.~~ The remaining water shall be the California American Water annual production limit for all User Categories.

~~II.~~ REDUCED NON-CALIFORNIA AMERICAN WATER ANNUAL PRODUCTION LIMITS DURING STAGE 7 ~~WATER RATIONING~~

Available production for other Water Distribution Systems subject to Stage 7 ~~Water Rationing~~ shall be determined using the same methodology as for California American Water ~~without including a deduction for Unaccounted For Water Uses~~. ***Systems with less than ten (10) connections shall not include a***

deduction for Unaccounted For Water Use. The non-California American Water annual production limit for the Monterey Peninsula Water Resource System shall be used as the maximum production limit.

K.J. ESTABLISHING THE RATIONS

Rations for each User Category shall be determined by the General Manager *using the process set forth in Rule 165-K* by dividing the reduced available production by the percentage of use. The percentage of use for each User Category shall be determined by the most recent unrationed Water Year (October 1 through September 30) data, provided by California American Water for Water Users of the Main California American Water System California American Water that derive water from the MPWRS, and by data provided by the District from its annual Well reporting program for non-California American Water Distribution Systems.

All Water Users shall be rationed by User Category as outlined in Rule 165 (Stage 5 Water Rationing).

K. ELIMINATION OR MODIFICATION OF NON-RESIDENTIAL VARIANCES FOR BEST MANAGEMENT PRACTICES

The General Manager shall require a percentage reduction of all Non-Residential Water Users granted a variance for complying with BMPs for the type of use. The amount of the percentage reduction shall be determined by the General Manager following review of the success of Non-Residential rationing during Stage 5.

L. ADDITIONAL CONSERVATION ACTIONS

By Resolution, The Board shall reconsider adopting restrictions on Non-Residential outdoor water use that may include any or all of the following *and any other conservation method deemed feasible*: Limit outdoor watering *and irrigation* to one day per week; *or* one day every other week; *or* prohibit outdoor watering *and* irrigation with water from the affected water resource system(s); prohibit irrigation of non-turf areas with water from the affected water resource system(s); *discontinue irrigation of Public Landscaped areas*; reduce Golf Course irrigation from the affected Water Distribution System(s) to a percentage of the amount required to water tees, greens and landing areas only; *prohibit the*

use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle unless done at a facility that recycles water; prohibit the use of water from hydrants for construction purposes or any other purposes other than fire fighting. The use of Recycled Water, when available, shall not be restricted by this requirement.

~~M. ELIMINATION OR MODIFICATION OF COMMERCIAL/INDUSTRIAL VARIANCES FOR BEST MANAGEMENT PRACTICES~~

~~The General Manager shall be authorized to require a percentage reduction of all commercial/industrial Water Users granted a variance for complying with BMPs for the type of use. The amount of the percentage reduction shall be determined by the General Manager following review of the success of Commercial/Industrial rationing during Stage 6 Water Rationing prior to Stage 7 Water Rationing.~~

~~NM. PROHIBITION ON THE USE OF PORTABLE WATER METERS, AND HYDRANT METERS, AND ESTIMATED USE OF HYDRANT WATER~~

Water Users utilizing portable water meters, ~~or~~ hydrant meters, *or using hydrants to fill water tanks without the use of a meter* shall be required to cease use of water from the affected water supply system(s). Each Water User shall be notified by the Water Distribution System Operator of this requirement. Portable water meters shall be returned to the water company at least 30 days before the implementation of Stage 7 ~~Water Rationing~~.

Section Twelve: Amendment to Rule 168

Rule 168 shall be amended as shown below, with added language as shown in *bold italic* type face, and deleted language shown in ~~strikeout~~ type face.

RULE 168 - WATER BANKS

Water Banks in the California American Water Distribution System(s) shall be suspended until (a) California American Water completes the installation of a computer system and programming necessary to calculate Water Banking credits; or (b) MPWMD completes computer programming needed to calculate Water Banking credits; or (c) December 31, 2010, whichever event occurs first.

During the suspension of Water Banking, Water Users shall be excused the first time a Water Ration is exceeded in a Ration Year. Second and subsequent offenses shall be enforced as Water Waste.

- A. Water Banks shall be available to each Water User during Stages 5 through 7 ~~Water Rationing~~. A Water Bank shall allow each Water User to accrue the unused portion of a monthly Water Ration for use in the current Rationing Year.
- B. Water Banks shall be reset to zero on the first day of each Rationing Year. Ten (10) percent of the remaining Water Bank shall be credited to the following year's Water Bank for three months to allow the establishment of a new bank.
- C. The Water Bank shall be reduced on the first day of the fourth month of the Rationing Year by the amount of banked water carried over. Water Banks ~~may~~ **shall** not carry a negative balance.

Section Thirteen: Amendment to Rule 169

Rule 169 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 169 - WATER RATIONING VARIANCE

- A. The General Manager shall assign additional water beyond the Water Ration established in Stage 5 ~~Water Rationing~~ through Stage 7 ~~Water Rationing~~ in the following circumstances upon submittal of the appropriate variance request form and fees.
- B. The following variances shall be considered ***and provide cause to allow for*** additional water during Stages 5 through 7 ~~Water Rationing~~.
 - 1. Medical and/or sanitation needs certified by a doctor;
 - 2. Hospital and/or health care facilities that have achieved all ~~Best Management Practices~~ ***BMPs*** for those uses;
 - 3. Drinking water for large livestock;

4. ~~Commercial/Industrial~~ **Non-Residential** Users that can demonstrate compliance with all BMPs appropriate for the type of use and where there is minimal exterior water use on the water meter or water supply serving the use;
5. Leaks, when an invoice is provided by a licensed plumber or contractor;
6. Commercial laundromats with signs advising full loads only;
7. Business in a home on a case-by-case basis;
8. Riparian irrigation when required as a condition of a riverbank restoration Permit issued by the District or as a condition of a riverbank erosion protection Permit issued by the District.
9. Emergency, extreme, or unusual situations on a case-by-case basis;

C. NO VARIANCE

The following categories of water use shall not qualify for special consideration *or provide cause for additional water* under the provisions of this Regulation:

1. Visitors other than those occupying Short-Term Residential Housing as defined in Rule 11 (Definitions) when the property owner has submitted a completed survey form with the applicable information about the occupancy of the Site. *The District may request additional documentation to substantiate Water Rations for Short-Term Residential Housing;*
2. Irrigation, other than variances allowed by Rule 169-B-8 of this Regulation.
3. Filling spas, ponds, fountains, etc.;
4. ~~Long-term~~ **L**eaks that are not repaired ~~after reasonable~~ *within 72 hours of* notice.

D. **MANDATORY CONDITIONS OF APPROVAL**

1. *Prior to approving any Residential or multi-family Residential variance pursuant to Rule 169-B, the Site must be in compliance with all applicable District Rules and Regulations and the following water conservation standards shall be achieved in all structures on the Site. Verification by District inspection shall be conducted prior to granting a variance.*
 - a. *Toilets shall be designed to flush with a maximum of 1.6 gallons-per-flush;*
 - b. *Showerheads, Rain Bars, or Body Spray Nozzles shall not emit more than 2.2 gallons per minute of water in the aggregate per bathing enclosure;*
 - c. *Faucets shall not emit more than 1.5 gallons of water per minute;*
 - d. *If an irrigation system is installed, drip irrigation exclusively shall be used to irrigate non-turf plantings. This requirement may be waived when outdoor watering is prohibited.*
2. *Prior to approving any Non-Residential variance pursuant to Rule 169-B, the Site must be in compliance with all applicable District Rules and Regulations and the following water conservation standards shall be achieved in all structures on the Site. Verification by District inspection shall be conducted prior to granting a variance.*
 - a. *Toilets shall be designed to flush with a maximum of 1.6 gallons-per-flush;*
 - b. *Showerheads, Rain Bars, or Body Spray Nozzles shall not emit more than 2.2 gallons per minute of water in the aggregate per bathing enclosure;*
 - c. *Faucets shall not emit more than 1.5 gallons of water per minute;*
 - d. *If an irrigation system is installed, drip irrigation exclusively shall be used to irrigate non-turf plantings. This requirement may be waived when outdoor watering is prohibited;*

- e. Automatic sensor faucets or self-closing faucets shall be installed where there are more than two washbasins in a room;*
- f. Site must comply with all BMPs appropriate for the type of use.*

Section Fourteen: Amendment to Rule 170

Rule 170 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 170 - WATER USE SURVEY

A. STAGE 1 ~~WATER CONSERVATION~~ SURVEY

1. California American Water shall maintain a confidential survey of all Water Users of the California American Water systems that derive their Source of Supply from the MPWRS. The survey shall request information to determine the number of Permanent Residents in each Dwelling Unit and the lot size of each Residential Site with permitted water service; the types of uses and amount of water use on Non-Residential Sites; and the number of Users and types of use(s) served by each water meter. Only information deemed appropriate for the effective operation of this program will be requested.
2. Survey forms shall be completed by the Responsible Party and returned to California American Water within 30 days of mailing. The District shall have access to this data during Stages 1 through 3 ~~Water Conservation~~ and shall be provided with a summary of the results of the survey by census tract annually. California American Water shall maintain survey information by census tract and shall provide access to individual water use records in compliance with District Rule 42.

B. STAGE 4 ~~WATER RATIONING~~ SURVEY

1. The General Manager shall conduct a survey of MPWRS Water Users not supplied by California American Water prior to the effective date of Stage 5 ~~Water Rationing~~. The survey shall request information to determine the number of Permanent Residents in each Dwelling Unit and the lot size of each Residential Site with permitted water use; the types of uses and

amount of water use on Non-Residential Sites; and the number of Users and types of use(s) served by each water meter or Connection. Only information deemed appropriate for the effective operation of this program will be requested.

2. The District shall mail the survey form to MPWRS Water Users not supplied water by California American Water. Survey forms shall be completed by the Responsible Party and returned to the District within 30 days of mailing. The District shall preserve the confidentiality of this survey data.
3. Failure to complete and submit a survey shall result in a minimal Water Ration. For Residential Water Users the minimal ration shall be a **Water Ration** for one (1) person. For Non-Residential Water Users the minimal **Water Ration** shall be ~~two (2)~~ **one (1)** units per month.

C. ADMINISTRATION OF SURVEY DATA

1. California American Water Users

California American Water shall maintain survey data for all MPWRS Water Users supplied water by California American Water and shall provide the District with access to all data in compliance with District Rule 42. California American Water shall provide the District with an annual summary of survey information, or more frequently as required by the General Manager. California American Water and MPWMD shall preserve the confidentiality of survey data.

2. Non-California American Water Users

During Stage 5 ~~Water Rationing~~ through Stage 7 ~~Water Rationing~~, the District shall maintain survey data for all MPWRS Water Users not supplied water by California American Water.

3. A full or partial survey may be conducted as deemed necessary by the District to maintain accurate data.
4. District staff shall maintain the confidentiality of all customer survey data.

D. REPORTING

1. Responsibility of Water User

- a. Each Responsible Party shall ~~be responsible for~~ accurately reporting the number of Permanent Residents in the Dwelling Unit(s) ~~or~~ *and* other information deemed appropriate for the effective operation of the program as requested on the survey form.
- b. Upon activation of a water meter, each Responsible Party shall complete a survey form.
 - i. California American Water Users. The completed survey form shall be submitted to California American Water by customers of that *Water Distribution System*.
 - ii. Non-California American Water Users. The completed survey form shall be submitted to the District or its agent by all other distribution systems Water Users. ~~required to complete a survey form during Stage 4 Water Rationing through Stage 7 Water Rationing.~~
- c. ~~All~~ Responsible Parties shall submit revised survey forms whenever there is a change in the number of Permanent Residents in a Residential Dwelling Unit or whenever there is a ~~Change of Use in a water User Category~~ in Non-Residential uses. Revised survey forms should be submitted to the appropriate party as indicated in Rule 170-D-1-b.
- d. Property owners of Short-Term Residential Housing rentals shall provide information about the average number of annual occupants and the average rate of occupancy to the appropriate party as indicated in Rule 170-D-1-b.

2. Intentional Misrepresentation

Any Water User intentionally over-reporting the number of Permanent Residents in a Dwelling Unit or other information pertinent to establishing a Water Ration during Stages 5, 6 and 7 ~~Water Rationing~~ may be charged with a misdemeanor punishable as an infraction as provided by Section

256 of the Monterey Peninsula Water Management District Law, Statutes of 1981, Chapter 986. Violations carry a maximum penalty of up to \$250 for each offense. Each separate day or portion thereof during which any violation occurs or continues without a good-faith effort by the responsible Water User to correct the violation, may be deemed to constitute a separate offense, and upon conviction thereof, may be separately punishable.

Alternatively, the District may pursue any remedy set forth in Regulation XI, Enforcement, to address the intentional over-reporting of the number of Permanent Residents in a Dwelling Unit or other information pertinent to establishing a Water Ration during Stages 5, 6 and 7 ~~Water Rationing~~.

3. Additional Enforcement for Misreporting

In addition to any charge for misrepresenting information as provided in Rule 170-D-2, any or all of the following may be further imposed by the General Manager or his agent where the violation occurs and continues without a good-faith effort by the responsible Water User to correct the violation. Decisions pursuant to this rule are appealable pursuant to Regulation XI.

- a. Intentional misrepresentation may be considered a violation of the Water Waste provisions and shall subject the Water User to a Water Waste fine; and/or
- b. Intentional misrepresentation may cause the loss of any Water Bank accrued and shall cause the Responsible Party to be ineligible to accrue a Water Bank for a period of sixty (60) months; and/or
- c. Intentional misrepresentation may cause the assignment of a reduced Water Ration that may be as low as a ration for one person for a period of twelve (12) months.

~~Alternatively, the District may pursue any remedy set forth in Regulation XI, Enforcement, to address the intentional over-reporting of the number of Permanent Residents in a Dwelling Unit or other information pertinent to establishing a Water Ration during Stages 5, 6 and 7 Water Rationing.~~

4. Audit

The District may periodically audit the survey data for accuracy. Upon question, the District may request additional evidence of residency to demonstrate the number of Permanent Residents at that Site as defined in Rule 11 (Definitions).

Section Fifteen: **Amendment to Rule 171**

Rule 171 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

**RULE 171 - WATER WASTE AND NON-ESSENTIAL WATER USE
ENFORCEMENT**

- A. Each occurrence of Water Waste or Non-Essential Water Use, as those terms are defined by Rule No. 11 (Definitions), which continues after the Water User has had reasonable notice to cease and desist that type of water use shall constitute a Flagrant Violation.
- B. Repeated occurrences of Water Waste or Non-Essential Water Use, which continue or occur after the Water User has had a reasonable notice to cease and desist that type of water use, or which continues or occurs after the Water User has had a reasonable opportunity to cure any defect causing that type of water use, shall provide cause for the placement of a Flow Restrictor with a maximum flow rate of *six (6) ccf/month, (but in no event less than 35 gallons per person per day)* within the water line or water meter.
- C. Water Waste, Non-Essential Water Use, and Flagrant Violation fine enforcement shall be governed by Regulation XI unless otherwise indicated.

Section Sixteen: **Amendment to Rule 172**

Rule 172 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 172 - LANDSCAPE WATER AUDITS

- A. Landscape Water Audits shall be conducted under the supervision of an individual who has been certified by the Irrigation Association to conduct audits and establish Landscape Water Budgets. Each audit shall be signed by that Person, who shall attest that the audit was performed under his/her direction.
- B. Landscape Water Audits and Landscape Water Budgets shall be offered by the District and/or California American Water or their agent free of charge to all Water Users of California American Water with Dedicated Irrigation Meters, large irrigated areas over three acres, and Large Residential Water Users. ***Landscape Water Audits and Landscape Water Budgets shall be required for new Dedicated Irrigation Meters at the time the meter is installed.***

California American Water shall review its Residential customer consumption records at the completion of every Water Year to identify all Residential Users that consumed an average of 32 units per month during the prior Water Year. Using this information, California American Water shall identify the Users that require a Landscape Water Audit and Landscape Water Budget and that do not have a Water Budget on file at MPWMD and CAW. Water use records shall be reviewed annually by California American Water to identify new Water Users required to establish a Landscape Water Budget by this Rule. Newly identified Users shall be notified by California American Water that they are required to obtain a Landscape Water Audit and Landscape Water Budget. California American Water shall provide the District with copies of all completed Landscape Water Audits and Landscape Water Budgets. Once notified of the requirement to obtain a Landscape Water Audit and Landscape Water Budget, a User must arrange to complete the audit process within sixty (60) days. Existing customers subject to this Rule shall be given annual notice by California American Water to report any changes to the Landscaping or Irrigation Systems. Significant changes shall necessitate a follow-up audit.

- 1. California American Water Users shall be required to obtain Landscape Water Audits and establish Landscape Water Budgets if the property:
 - a. Has a Dedicated Irrigation Meter; or
 - b. Is an irrigated area of greater than three acres; or
 - c. Is a Large Residential Water User.

2. All Landscape Water Budgets must be prepared by an individual certified by the Irrigation Association.
3. All Water Users required to complete a Landscape Water Audit and establish a Landscape Water Budget shall have the option of obtaining a Landscape Water Audit and Landscape Water Budget from a Landscape Irrigation Auditor of their choice at their own expense if the auditor is certified by the Irrigation Association.
4. Landscape Water Audits *and Landscape Water Budgets* not conducted *and prepared* by the District and/or California American Water shall be *completed as specified in this Rule* ~~reported on a Landscape Water Budget Application~~. *Completed* Landscape Water Budgets *and Landscape Water Audits* ~~Applications~~ shall be submitted to California American Water. California American Water shall forward a copy of all completed Landscape Water Audits and Budgets to the District within ten (10) days of receipt by California American Water. Landscape Water Audits not performed by the District or California American Water are subject to review and acceptance by the District. Landscape Water Audits and Landscape Water Budgets rejected by the District may be appealed to the Board of Directors pursuant to Rule 70 (Appeals).
5. Audit
 - a. An On-Site Landscape Irrigation Audit shall be completed or overseen by a Certified Landscape Irrigation Auditor (CLIA) and shall include evaluation and documentation of the following:
 - (1) Visual and physical evaluation of Irrigation System.
 - (2) Description of the type(s) of Irrigation System contained on the property.
 - (3) Location of problems with Irrigation System which may be contributing to excessive water use.
 - (4) Condition and performance of the following:

Points of connection

Backflow device(s)

Valves

Piping (to include mains and laterals)

Control system

Sprinklers/emitters

System coverage

- (5) Landscaped areas irrigated by each valve/zone/running station.
- (6) Plant materials, plant hydrozone compatibility, soil type, Irrigation System operating pressure, irrigation water requirements, and efficiency for each zone.
- (7) Site map, photographs and or a detailed zone description summary including: Zone location, zone efficiency, sprinkler type and zone comments.

b. Upon completion of an On-Site audit, the Irrigation System data shall be analyzed and compiled into a usable, written report that shall include at least the following:

- (1) Calculation and determination of Site Landscape Water Budget using the Irrigation Association Water Requirement (WR) calculation, as follows:

$$WR = \frac{ET_o \times KL \times A}{DU \times E_{wm} \times C_u}$$

Where:

WR = Water Requirement¹
ET_o = Reference Evapotranspiration (inches per year)²

¹ Water Requirement calculations, for the purpose of establishing the Landscape Water Budget, shall not include a variable for Effective Rainfall. Property owners/irrigators will need to adjust their actual watering schedules based on actual rainfall, as this will help them stay within their Landscape Water Budgets. One of the top recommendations given to all audited properties must be the installation of a Rain Shut-Off Switch.

² Historic ET_o data for specific properties shall be provided to consultant(s), by MPWMD, as requested.

KL	=	Landscape Coefficient
A	=	Area (square feet)
Cu	=	Conversion Factor (convert to CCF = 1,200)
Ewm	=	Management Efficiency ³
DU	=	Distribution Uniformity

- (2) The budget shall include calculations for each of the following hydrozones assuming they are present in the landscape.
 - Cool season turf (.8)
 - Warm season turf (.6)
 - All other vegetation (.5)
- (3) Monthly irrigation schedule.
- (4) Condition and functionality of existing Irrigation System.
- (5) Recommendations for improvements to Landscape material and Irrigation System (to include "Smart" irrigation technology and information about Rebates available).
- (6) Estimate of water and money savings potential, including cost estimates for recommended improvements.
- (7) Site map and or a detailed zone description summary which identifies relevant Irrigation System details, including valves/zones, and sprinkler/emitter types for each zone.

The following minimum criteria will be used to establish the hydrozone distribution uniformity:

³ Due to the unique and critical water supply situation in the Monterey Peninsula Water Resource System, a higher standard of Management Efficiency (Ewm) will be required, especially for properties identified as needing Landscape Water Audits and Budgets. Therefore, Ewm shall not be less than 0.90 for the purpose of establishing a Landscape Water Budget.

Type of Zone	Minimum Distribution Uniformity (DU)
Fixed Spray	50%
Rotor	60%
Stream Rotor	60%
Impact	60%
Micro Spray	80%
Drip - Standard	80%
Drip - Pressure Compensating	80%
Bubbler - Standard	80%
Bubbler - Pressure Compensating	80%

The following Landscape Coefficients (species factors) shall be used:

Type of Vegetation	Coefficient
Cool Season Turf	0.80
Warm Season Turf	0.60
All Other Landscape Vegetation	0.50

6. California American Water shall provide monthly status notices to each Water User required to follow a mandatory Landscape Water Budget *during Stage 2 through Stage 4.*

C. MODIFICATIONS TO AUDITED LANDSCAPES

Following significant modification to an existing audited ~~L~~andscape, a new Landscape Water Audit shall be conducted to establish an appropriate Landscape Water Budget. It shall be the responsibility of the property owner to ensure that a Landscape Water Audit is conducted within 60 days of any such change and to

submit a new *Landscape Water Audit and Landscape Water Budget Application* to California American Water.

D. REPORTING AND ANALYSIS

California American Water shall preserve water use records and budgets for *all* Water Users subject to this Rule. Updated Landscape Water Budgets shall supersede previous data. Monthly during Stages 2 *through Stage 4* and ~~above~~, California American Water shall notify the District of *Water* Users who have exceeded their Landscape Water Budget. Quarterly, a report shall be compiled by California American Water and provided to the District showing the account information and comparing the Landscape Water Budget with actual consumption.

E. LANDSCAPE IRRIGATION RESTRICTIONS ~~IN THE CALIFORNIA AMERICAN WATER SYSTEM THAT DERIVES ITS SOURCE OF SUPPLY FROM THE MPWRS~~

Unless watering is by drip irrigation or through a hand-held hose with a Positive Action Shut-Off Nozzle, ~~or performed by a professional gardener or landscaper~~, the following *watering* schedule shall apply:

1. Odd Numbered Properties shall water after 5 p.m. or before 9 a.m. on Saturdays and Wednesdays only. This schedule shall also apply to properties located on the South or West side of the street in cities where no street address is available.
2. Even Numbered Properties shall water after 5 p.m. or before 9 a.m. on Sundays and Thursdays only. This schedule shall also apply to properties located on the North or East side of the street in cities where no street address is available.
3. *Sprinkler irrigation overseen by a professional gardener or landscaper who is available on Site may occur between 9 a.m. and 5 p.m., but shall not exceed two watering days per week.*

Section Seventeen: Rule 173

Rule 173 shall be amended as shown below, with added language as shown in *bold italic* type

face, and deleted language shown in ~~strikeout~~ type face.

RULE 173 - REGULATION OF MOBILE WATER DISTRIBUTION SYSTEMS

- A. No Person, Extractor, Owner or Operator shall operate a Mobile Water Distribution System without first securing a written Permit from the District. In accordance with Monterey County Code (e.g., Title 15.20), no applications will be accepted or permitted for bulk hauled water for permanent Potable use. Applications for establishment of a Mobile Water Distribution System shall be made pursuant to Rule 22 (Action On Application For Permit To Create/Establish A Water Distribution System) and shall be investigated, considered, determined, and acted upon on the same terms and conditions as provided for the approval, conditional approval or denial of a creation establishment Permit as stated in that rule. The application shall identify each Source of Supply and the location of each use. For any Sub-potable Mobile Water Distribution System within the California American Water Service Area, a condition of approval shall require that California American Water be notified so that a back-flow protection device can be installed pursuant to Monterey County Code.
- B. In the event prior authorization is not obtained by reason of an emergency or health related situation, authorization for the Mobile Water Distribution System Permit shall be sought from the District by submittal of a complete application compliant with Rule 21, within five working days following commencement of the emergency or health related event.
- C. *California American Water shall not provide portable water meters to any Person unless a Permit has been issued by the District pursuant to Rule 22 or Rule 23.*
- CD.** Delivery and/or receipt of water from an unpermitted Mobile Water Distribution System shall be deemed Water Waste, and shall be subject to fine, restriction, and cease and desist order as set forth in Rule 171 and Regulation XI.

Section Eighteen: Rule 174

Ordinance No. 137 does not propose changes to Rule 174.

RULE 174 - REGULATION OF WELL OWNERS OR OPERATORS AND EXTRACTORS

During a Water Supply Emergency, each Owner or Operator or Extractor of a private water Well, Water Distribution System, or other Water-Gathering Facility shall comply with the provisions of this Regulation, as they relate to such Well, Water Distribution System or other Water-Gathering Facility unless specifically exempt by action of the Board of Directors.

Section Nineteen: Amendment to Rule 175

Rule 175 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

RULE 175 - WATER RATIONING ENFORCEMENT

A. ENFORCEMENT DURING STAGES 5 THROUGH 7 ~~WATER RATIONING~~

For this Rule, the administrative fines for Stages 5 through 7 ~~water rationing~~ set forth in the tables below and referenced in this Rule shall control and be amended from time to time by Resolution duly adopted by the MPWMD Board of Directors.

Violation levels shall be based upon violation history for the preceding ***twelve*** (12) months and the rationing condition stage.

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STAGE 5 WATER RATIONING ENFORCEMENT

Meter Size	1st Offense	2nd Offense	3rd Offense	4th Offense
1" and Less	Courtesy Notice	\$20	\$40	\$40
>1" to 2"	Courtesy Notice	\$40	\$80	\$80
>2"	Courtesy Notice	\$80	\$160	\$160

STAGE 6 WATER RATIONING ENFORCEMENT

Meter Size	1st Offense	2nd Offense	3rd Offense	4th Offense
1" and Less	Courtesy Notice	\$25	\$50	\$50
>1" to 2"	Courtesy Notice	\$50	\$100	\$100
>2"	Courtesy Notice	\$100	\$200	\$200

STAGE 7 WATER RATIONING ENFORCEMENT

Meter Size	1st Offense	2nd Offense	3rd Offense	4th Offense
1" and Less	Courtesy Notice	\$50	\$100	\$100
>1" to 2"	Courtesy Notice	\$100	\$200	\$200
>2"	Courtesy Notice	\$200	\$400	\$400

1. Courtesy Notice

For the first instance of excess water use beyond the Water Ration in Stages 5 through 7 ~~Water Rationing~~, a Water User shall be given written notice ~~by the water system Operator~~ of the excess use and shall be notified that such violation constitutes Water Waste and a Water Waste fine shall be collected in the event the Water User again exceeds that User's Water Ration during any future billing cycle under Stages 5 through 7 ~~Water Rationing~~. ~~If the Water User complies with all water rationing and Water Waste and Non Essential Water Use requirements during the next month following the first instance of excess use, the excess use fine shall be deferred.~~

If the Water User again exceeds that User's Water Ration during any following month, the Water Waste fine shall be imposed.

2. Second Offense

Upon the second occurrence of excess water use (including any prior excess water use during any prior stage) within a 12-month period, a Water User shall be charged with Water Waste and assessed a fine, plus the previously deferred fine by the District or its agent. For example, if a 1" or smaller meter had a second offense within a 12-month period during Stage 5, a fine of \$20 plus the previously deferred fine of the same amount would be assessed. If the second offense occurred in Stage 6 and the first offense in Stage 5, the 2nd offense fine would be \$25 and the previously deferred fine would be \$20.

3. Third Offense

A third occurrence of excess water use (including any prior excess water use during any prior stage) within a 12-month period shall result in fines listed for a third offense. A third occurrence of excess water use shall provide cause for the installation of a Flow Restrictor in the water meter or water supply providing water to the property where the over-use occurred. Restrictors shall remain in place until conditions are reduced to Stage 2 ~~3~~ ~~Water Conservation~~ or a less restrictive stage. All costs for the installation and removal of a Flow Restrictor shall be charged to the ~~property owner~~ *Water User* ~~of the Site subjected to this action.~~

4. Fourth Offense

A fourth occurrence of water use in excess of the Water Ration shall result in fines listed for a third offense and shall result in the installation of a Flow Restrictor with a maximum flow rate of 6 ~~c~~Ccf/month (***but not less than 35 gallons per person per day***) by the system Operator in the water meter or water supply providing water to the property where the over-use occurred. Restrictors shall remain in place until conditions are reduced to Stage 3 ~~Water Conservation~~ or to a less restrictive stage. All costs for the installation and removal of a Flow Restrictor shall be charged to the ***Water User*** ~~property owner of the Site subjected to this action.~~

B. FLOW RESTRICTOR EXEMPTION

Exemptions to the installation of a Flow Restrictor as a means to enforce the Water Ration shall occur when there are provable risks to the health, safety and/or welfare of the Water User. An exemption shall be made for water meters serving three or more Multi-Family Dwelling units ***or any Mixed Use*** by substituting an excess water use charge equivalent to the appropriate meter size, rationing stage, and 4th offense amount times the number of Dwelling Units located on the meter during each month in which a violation of the Water Ration occurs. The Responsible Party shall be liable for payment of all excess water use charges.

C. All notices and assessments of Water Waste and/or excess water use charges made by a Water Distribution System Operator shall be reported to the District.

Section Twenty: Amendment of Rule 23-B-2

Rule 23-B-2 shall be amended to reflect the relocation of metering provisions adopted in Ordinance No. 134 (August 18, 2008) as Rule 161-G and 161-H. Rule 23-B-2 shall be amended as shown below, with added language as shown in ***bold italic*** type face, and deleted language shown in ~~strikeout~~ type face.

2. Construction of a New Structure.

~~In addition to the "Mandatory Conditions of Approval for Construction Affecting the Interior or Exterior of an Existing Structure", a~~

- a. All new water use permitted by the District shall install a separate water meter to each User.
- b. *All Non-Residential New Structures receiving a Water Permit after January 1, 2009 that include irrigated areas beyond ten (10) feet of any building shall utilize a separate water meter to measure all exterior water uses.*
- c. *All New Structures receiving a Water Permit after January 1, 2009 shall have separate water meters for fire suppression systems.*

Section Twenty-One: Publication and Application

The provisions of this ordinance shall cause the republication and amendment of the permanent Rules and Regulations of the Monterey Peninsula Water Management District.

Section Twenty-Two: Effective Date and Sunset

This ordinance shall take effect at 12:01 a.m. on the 31st day of December 2008.

This Ordinance shall not have a sunset date.

Section Twenty-Three: Severability

If any subdivision, paragraph, sentence, clause or phrase of this ordinance is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or enforcement of the remaining portions of this ordinance, or of any other provisions of the Monterey Peninsula Water Management District Rules and Regulations. It is the District's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

On motion by Director Edwards, and second by Director Markey, the foregoing ordinance is adopted upon this 8th day of December, 2008, by the following vote:

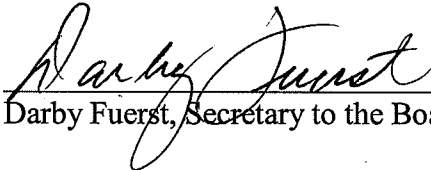
AYES: Directors Doyle, Edwards, Lehman, Markey and Pendergrass

NAYES: Director Brower

ABSENT: Director Potter

I, Darby Fuerst, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing ordinance was duly adopted on the 8th day of December, 2008.

Witness my hand and seal of the Board of Directors this 23rd day of December 2008.


Darby Fuerst, Secretary to the Board

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