



**ORDINANCE NO. 201**  
**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE**  
**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**AMENDING RULES 10, 11, 23, 24, 25.5, 33, 141, 160, 163, 164, 165, AND 167**

**FINDINGS**

1. The Monterey Peninsula Water Management District was created to address ground and surface water resources in the Monterey Peninsula area, which the Legislature found required integrated management, and was endowed with the powers set forth in the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977, found at West's Water Code, Appendix, Section 118-1, et seq.).
2. The Monterey Peninsula Water Management District has adopted and regularly implements water conservation and efficiency measures which, inter alia, set standards for the installation of plumbing fixtures in New Construction, and require retrofit or replacement of existing plumbing fixtures upon Change of Ownership, Change of Use, and Expansion of Use, and for existing Non-Residential uses. The Monterey Peninsula 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. The Monterey Peninsula Water Management District has found and determined that it is in the best interests of the Monterey Peninsula Water Management District and its inhabitants to define, implement and enforce water efficient plumbing standards and requirements for the conservation of Potable water supplies. Retrofit or replacement of existing plumbing fixtures lessens consumption of the limited water resources available on the Monterey Peninsula. Installation of water efficient plumbing fixtures reduces the burden of new, expanded or modified uses on the water resources.
4. Executive Order B-29-15 (April 1, 2015) called for the California Energy Commission to adopt emergency regulations establishing standards to improve the efficiency of water appliances, including toilets, urinals, and faucets available for sale and installation in new and existing buildings.
5. Rule 10 is amended to acknowledge rules that have been deleted by listing them and requiring that adopted ordinances be kept on file. The rule numbers can then be deleted and reused as needed.
6. Rule 11 is revised to reflect amendments to definitions that affect how staff processes Water Permits.

7. Rule 23-B is amended for clarification.
8. Rule 24 is amended primarily for clarification.
9. Rule 25.5 is amended to include clarifications and deletion of Rule 25.5-D which refers to credit at a Redevelopment Project. Redevelopment Project credit has expired making this rule unnecessary.
10. Rule 25.5 is amended to delete the credit temporarily put into place for installation of required 1.28 gallon-per-flush toilets while awaiting new water Allocations. This credit shall remain available until January 1, 2027.
11. Rule 33 is amended to add projects under the jurisdiction of the California Division of the State Architect (DSA) to have access to the District Reserve, with any request for over ten Acre-Feet requiring approval by the Board of Directors. California Division of the State Architect is in the California Department of General Services and is headquartered in Sacramento. DSA provides design and construction oversight for K–12 schools, community colleges, State essential services buildings that provide services to the public after a major disaster, State-funded facilities, such as California courts, University of California, California State University, and state-owned buildings and various other state-owned and state-leased facilities. DSA projects do not go through the local jurisdictions for approval, other than to comply with local zoning regulations. For this reason, projects under DSA should have access to the District Reserve allocation.
12. Rule 141 is amended to modify rebates and rebate amounts after consultation with California American Water.
13. Rules 160, and 163-165 are amended to reflect new sources of water supply previously evaluated in Environmental Impact Reports to be consistent with the District's Urban Water Management Plan.
14. Rule 164-D is amended to include the Bishop and Ryan Ranch Water Distribution Systems as part of the Main California-American Water Company Water Distribution System. The systems were consolidated in 2021 (MPWMD Permit M15-03-L3-A2).
15. Rule 167 which listed definitions used in Regulation XV is deleted as the definitions are found in Rule 11, Definitions.
16. This ordinance is exempt from review under the California Environmental Quality Act ("CEQA") (California Public Resources Code Section 21000 et seq.). Pursuant to State CEQA Guidelines section 15307 (14 Cal. Code Regs., § 15307), this Ordinance is covered by the CEQA Categorical Exemption for actions taken to ensure the maintenance, restoration, enhancement, or protection of a natural resource where the regulatory process involves procedures for protection of the environment.

NOW THEREFORE, be it ordained:

## ORDINANCE

### Section One: Short Title

This ordinance shall be known as the 2026 Rule Update Ordinance of the Monterey Peninsula Water Management District.

### Section Two: Purpose

This ordinance amends the Rules and Regulations to clarify and update various rules pertaining to definitions, Water Permits, the District Reserve Allocation, Water Use Credit, rebates and water supply.

### Section Three: Amendments to MPWMD Rule 11, Definitions

Rule 11 shall be amended as shown in bold italics (additions) and strikeout (deletions) as follows:

~~ACCESSORY DWELLING UNIT—Accessory Dwelling Unit (“ADU”) shall mean a secondary Dwelling Unit that is not intended for sale separate from the primary residence. An Accessory Dwelling Unit is a habitable Dwelling Unit added to, created within, or detached from a primary Single-Family Dwelling and contained within the same lot.~~

***ACCESSORY DWELLING UNIT -- “Accessory Dwelling Unit” means an attached or a detached Residential Dwelling Unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the Single-Family or Multi-Family Dwelling is or will be situated.***

~~CERTIFIED LANDSCAPE IRRIGATION AUDITOR – “Certified Landscape Irrigation Auditor” shall mean a Person certified to perform landscape Irrigation Audits by an accredited academic institution, a professional trade organization or other program such as ***labeled by*** the United States Environmental Protection Agency’s WaterSense irrigation auditor ***professional*** certification program and Irrigation Association’s Certified Landscape Irrigation Auditor program.~~

~~CONNECTION - “Connection” means the point of intersection where a User gains access to the Water Distribution System. Where a Water-Measuring Device (***Water Meter***) is installed, the Water Distribution System shall include the Water-Measuring Device, and the Connection shall be the nearest point of User access beyond the Water-Measuring Device. Where a Water-Measuring Device is removed for a period exceeding ~~36~~ ***120*** months (***ten years***), the former Connection shall cease to exist. Where any Permit is transferred in contravention of Rule 28, the Connection(s) affected by said Permit shall cease to exist. For the purpose of these Rules and Regulations, a ***Access to a Water Distribution System*** for fire protection and/or access for short-term use through a hydrant meter installed with the consent of the Water Distribution System Operator shall not be deemed a Connection. Each~~

new Connection, based upon projected ~~quantity~~ *type* of water use, shall be categorized as either “Residential,” or “Non-Residential,” or “Mixed Use.”

***EFFICIENCY KITCHEN*** – “*Efficiency Kitchen*” is a cooking facility with appliances, a food preparation counter, and storage cabinets that are of reasonable size in relation to the size of the JADU (Gov. Code, § 66333, subs. (f)(1), (f)(2)).

***JUNIOR ACCESSORY DWELLING UNIT*** – “*Junior Accessory Dwelling Unit*” or “*JADU*” means a small independent living space with a maximum of 500 square feet located within an existing Single-Family Dwelling. JADUs must have a separate exterior entrance and a basic *Efficiency Kitchen* but may share a *Bathroom* with the main house.

**KITCHEN SINK** - “Kitchen Sink” shall mean a primary large water basin or multiple interconnected basins located in a room or part of a room that ~~contains a built-in cooking appliance(s)~~ *is used for storage and preparation of food and drinks. A Dwelling Unit may have more than one Kitchen Sink.*

**NON-REVENUE WATER** – “Non-Revenue Water” means those components of system ~~input volume that are not billed and produce no revenue; equal to unbilled authorized consumption, plus apparent losses, plus real losses.~~ *is calculated by subtracting the number of gallons of water sold from the number of gallons produced.*

**PUBLIC SCHOOL DISTRICT** - “Public School District” shall be defined as a local government responsible to provide educational services and support to children *and adults* in both primary, ~~and~~ secondary, *and postsecondary* education levels. Within MPWMD, the Carmel Unified School District, *Monterey Peninsula College*, Monterey Peninsula Unified School District, and Pacific Grove Unified School District meet this definition.

~~VACANT LOT~~ – “~~Vacant Lot~~” shall mean ~~an empty legal lot that has no historical water use that can be documented by the methods shown in Rule 25.5-1-2.~~

**Section Four: Amendments to MPWMD Rule 10, Title**

Rule 10 shall be amended as shown in Exhibit A (clean version of the rule) and Exhibit A-1 (marked up version of the rule). The amendments to this rule specify that deleted rules shall be listed in Rule 10.

**Section Five: Amendments to MPWMD Rule 23-B, Action on Application for Water Permit to Connect to an Existing Water Distribution System**

Rule 23-B shall be amended as shown in Exhibit B (clean version of the rule) and Exhibit B-1 (marked up version of the rule). The amendments to this rule are primarily for clarification purposes.

**Section Six: Amendments to MPWMD Rule 24. Calculation of Water Use Capacity and Capacity Fees**

Rule 24 shall be amended as shown in Exhibit C (clean version of the rule) and Exhibit C-1 (marked up version of the rule). The amendments to this rule are primarily for clarification purposes, including notice to see Rule 142.1 for Non-Residential landscaping.

**Section Seven: Amendments to MPWMD Rule 25.5, Water Use Credits and Water Credits**

- A. Rule 25.5 shall be amended as shown in Exhibit D (clean version of the rule) and Exhibit D-1 (marked up version of the rule). The amendments to this rule include clarifications and deletion of former Rule 25.5-D which refers to credit at a Redevelopment Project. Redevelopment Project credit has expired making this rule unnecessary. Numbering has been adjusted. The amendments also delete Table 4: High Efficiency Appliance Credits and the credit temporarily put into place for installation of required 1.28 gallon-per-flush toilets while awaiting new water Allocations. Credit remains available for Ultra-High Efficiency Toilets, Instant-Access Hot Water Systems, and High Efficiency Clothes Washers and High Efficiency Dishwashers. These credits are calculated as part of the Water Permit process using Rule 24 on Table 1: Residential Water Use Factors.

High Efficiency Toilet credit as listed on former Table 4 (i.e., a non-High Efficiency Toilet replacing one with a higher flush volume resulted in a credit of 0.5 fixture units) and as documented prior to adoption of Ordinance No. 201 by inspection or purchase receipt in a Residential use shall remain available until January 1, 2027, to offset new uses on a Site. After January 1, 2027, no credit shall be available for that appliance.

**Section Eight: Amendments to MPWMD Rule 33, Jurisdictional and Reserve Water Allocations**

Rule 33 shall be amended as shown in Exhibit E (clean version of the rule) and Exhibit E-1 (marked up version of the rule). Rule 33 amendments address projects that are subject to permitting through the Division of the State Architect, such as Public School District Sites. Rule 33-B is amended to allow use of the District Reserve Allocation for certain projects with a five Acre-Foot limit on the amount that can be requested without District Board approval. These projects do not receive approvals through the local Jurisdiction.

**Section Nine: Amendments to MPWMD Rule 141, Water Conservation Rebates**

Rule 141 shall be amended as shown in Exhibit F (clean version of the rule) and Exhibit F-1 (marked up version of the rule). Table XIV-1 has been amended to delete a rebate for 1.28 gallons per flush toilets, as they are required in California. The rebate for Ultra High Efficiency Toilets has been reduced from \$125 to \$75. Pint Urinals have been reduced from \$250 to \$75 as the flow rate is also a California requirement. Zero Water Consumption Urinals and X-ray film processor

recirculation system have been deleted due to maintenance issues and lack of participation. In addition to clarifications and removal of a deed restriction requirement for Weather Based Irrigation System Controllers, new rebates were added for Smart Flowmeters that shut off the system water when a leak is detected. These rebate additions (and the reduction in the toilet rebates) are supported by California American Water.

**Section Ten: Amendments to MPWMD Rule 160, Regulatory Production Targets and Physical Storage Target**

Rule 160 shall be amended as shown in **Exhibit G** (clean version of the rule) and **Exhibit G-1** (marked up version of the rule). Rules 160 and 163-165 are amended to reflect new sources of supply and to be consistent with the District's Urban Water Management Plan. Tables were updated after first reading to align values with dates.

**Section Eleven: Amendments to MPWMD Rule 163, Stage 2 Water Conservation: Voluntary Reduction in Use**

Rule 163 shall be amended as shown in **Exhibit H** (clean version of the rule) and **Exhibit H-1** (marked up version of the rule).

**Section Twelve: Amendments to MPWMD Rule 164, Stage 3 Water Conservation: Conservation Rates**

- A. Rule 164 shall be amended as shown in **Exhibit I** (clean version of the rule) and **Exhibit I-1** (marked up version of the rule).
- B. Rule 164-D shall be amended as shown below in red text (new) and strikeout (deletions). The Bishop and Ryan Ranch Systems are part of the Cal-Am Main System:
  - D. Thirty days prior to implementation of Stage 3, California American Water shall file to implement Level 1 Conservation Rates within its Main California-American Water Company Water Distribution System **which includes** the Bishop ~~Water Distribution System, Hidden Hills System,~~ and Ryan Ranch Water Distribution Systems, **and within its Hidden Hills Water Distribution System**, and shall provide notification to its customers that such rates shall be implemented after thirty (30) days. Prior to an increase to Level 2 Conservation Rates, California American Water shall provide notification to its customers that such rates shall be implemented after thirty (30) days.

**Section Thirteen: Amendments to MPWMD Rule 165, Stage 4 Water Rationing**

Rule 165 shall be amended as shown in **Exhibit J** (clean version of the rule) and **Exhibit J-1** (marked up version of the rule).

**Section Fourteen: Deletion of MPWMD Rule 167**

Rule 167, Definitions Used in Regulation XV shall be deleted in its entirety. The definitions used in this rule are all found in Rule 11.

**Section Fifteen: Effective Date**

This ordinance shall take effect at 12:01 a.m. thirty days following adoption after second reading.

**Section Sixteen: 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.

**PASSED AND ADOPTED** on this 20<sup>th</sup> day of April 2026 on a motion by Director Daniels, with a second by Director Riley by the following vote:

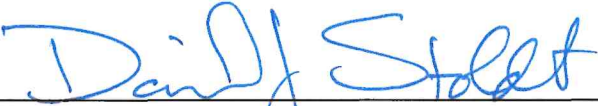
AYES: Edwards, Daniels, Paull, Oglesby, Riley and Gawain

NAYS: None

ABSENT: Lindor

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing ordinance was duly adopted on the 20<sup>th</sup> day of April 2026.

Dated: April 21, 2026

  
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David J. Stoldt,  
Secretary to the Board

**RULE 10 - TITLE**

These rules and regulations shall be known as the Rules and Regulations of the Monterey Peninsula Water Management District.

- A. The Rules and Regulations may be amended from time to time by ordinance. Deleted rules shall be listed in Rule 10 with the date of action, and the number may be reused. The adopted ordinances of the District shall be permanently maintained.

*List of deleted rules to be added by Board Clerk below.*

*Added by Ordinance No. 1 (2/11/80); formerly Rule 100, renumbered by Ordinance No. 6 (5/11/81)*

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List of deleted rules to be added by Board Clerk below.

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**RULE 23 - ACTION ON APPLICATION FOR A WATER PERMIT TO CONNECT TO OR MODIFY A CONNECTION TO AN EXISTING WATER DISTRIBUTION SYSTEM**

**B. MANDATORY CONDITIONS, ACTION ON APPLICATION FOR A WATER PERMIT TO CONNECT TO OR MODIFY AN EXISTING WATER DISTRIBUTION SYSTEM**

1. Construction Affecting the Interior or Exterior of an Existing Structure. All Projects that require a Water Permit shall be subject to the following conditions:
  - a. The project Site must meet all applicable water conservation requirements of Regulations XIV and XV.
  - b. Other conditions may be placed upon approval as indicated in the applicable rule governing the Water Permit process.
  - c. The Applicant shall arrange for a final inspection by the District upon Project completion. District staff shall review the Project, water fixtures, and Landscaping for compliance with the Water Permit.
  - d. Permit amendments or other actions required as a result of a final inspection shall be completed within thirty (30) days of the date of the final inspection.
  - e. All Water Permits shall include a Notice and Deed Restriction titled “Provide Public Access to Water Use Data.” There shall be no additional charge for this deed restriction.
  - f. To encourage separate metering, permits for Meter Splits for existing Users shall be processed and issued with no charge to the Applicant.
2. Construction of a New Structure.
  - a. Water Meters maintained by the Water Distribution System Operator shall be installed for each Residential and Non-Residential water User except as allowed in Rule 23-B-3.
  - b. All Non-Residential New Structures that include irrigated landscapes of 1,000 square-feet or greater shall utilize a separate Water Meter supplied by the Water Distribution System to measure all exterior water uses. All Residential irrigated landscapes of 5,000 square-feet or greater shall install a sub-meter to measure outdoor water use.

- c. All New Structures receiving a Water Permit after January 1, 2009, shall have separate water supply lines that tee off in the meter box after the Water Meter to supply fire suppression service and domestic service as demonstrated in Figure 23-1, (found at the end of this rule) unless the User has separate Water Meters maintained by the Water Distribution System Operator for fire and domestic services. This configuration shall facilitate installation of a Flow Restrictor in the domestic service without interfering with the fire suppression service. The General Manager shall have authority to make exceptions to this requirement for Undue Hardship. Exceptions shall be recorded on the property title with notice that rationing enforcement could result in a Flow Restrictor.
- d. Other conditions may be placed upon approval as indicated in the applicable rule governing the Water Permit process.
- e. The Applicant shall arrange for a final inspection by the District upon Project completion. District staff shall review the Project, water fixtures, and Landscaping for compliance with the Water Permit.
- f. Permit amendments or other actions required as a result of a final inspection shall be completed within sixty (60) days of the date of the final inspection.
- g. All Water Permits shall include a Notice and Deed Restrictions titled “Provide Public Access to Water Use Data.” There shall be no additional charge for this deed restriction.

3. Water Meter Requirements

- a. Water Meters maintained by the Water Distribution System Operator shall be installed for each Residential and Non-Residential water User with exceptions listed below.
- b. Accessory Dwelling Unit. Permanent submetering of all water use into one Accessory Dwelling Unit shall be allowed when the Jurisdiction confirms there is no potential that the submetered User could be located on a separate Site through subdivision or transfer of ownership of a portion of the Site. An Accessory Dwelling Unit contained within the existing space of a single-family residence or accessory structure (e.g., studio, pool house, or other similar structure) shall be exempt from the submetering requirement. Submetering is, however, encouraged as a conservation tool that promotes the efficient use of water. Transfer of Title to an Accessory Dwelling Unit shall require installation of a

Water Meter for that Dwelling Unit.

- c. Multi-Family Dwelling and Residential Common Interest Developments of four or more units. Permanent submetering of each User's water use in a Multi-Family Dwelling or Residential Common Interest Development of more than four units shall be allowed pursuant to California Water Code Division 1 Chapter 8, Water Measurement. Submeters or Water Meters shall be required for Common Areas. Landscape shall be separately metered pursuant to Rule 142.1.

Approval of a Water Permit allowing submetering under this provision shall require recordation of a deed restriction on the title of the property that shall encumber current and future Site/common area owners to comply with the following conditions:

- (1) When requested, the Responsible Party shall provide the General Manager with individual monthly consumption for each User in a format acceptable to the District. Information shall identify the User of the submeter (e.g. apartment or condo number) and the number of residents in each Dwelling Unit and information about common area uses;
  - (2) During Stage Four of the Monterey Peninsula Water Conservation and Rationing Plan (Regulation XV), submetered consumption shall be provided to the District monthly or more frequently if requested by the General Manager.
- d. A Non-Residential User may extend incidental water use to another Non-Residential User within an existing structure unless the Remodel or Addition requires a Water Permit for a Change of Use.
  - e. A Change of Use shall trigger the requirement for a separate Water Meter if the User has a Bathroom or uses water as a component of their business (i.e., restaurant, Group II uses, manufacturing, etc.).
  - f. Multiple structures on a Site occupied by one Non-Residential User may submeter with a meter per building. A landscape Water Meter may be required by Rule 142.1.
  - g. The Board shall consider variances to this Rule when the installation of separate Water Measuring Devices is not feasible due to Special Circumstances. In considering a variance, the Board shall determine if another type of Water Measuring Device is appropriate and shall make reporting of consumption a condition of approval.

h. The General Manager shall allow submetering for each Multi- Family Dwelling (including condominiums and Common Interest Developments), Mixed Use, or Non-Residential User when the installation of separate Water Meters is not feasible and the User is utilizing Water Credits or an Entitlement on a Site that has a Connection. Applications for submetering of Single-Family Dwellings will be considered by the General Manager when the Jurisdiction confirms there is no potential that the submetered User could be located on a separate Site through subdivision or transfer of ownership of a portion of the Site. Approval of a Water Permit allowing submetering under this provision shall require recordation of a deed restriction on the title of the property that shall encumber current and future Site owners to comply with the following conditions:

- (1) The Site's owner shall have Water Meters installed for each submetered User by the Water Distribution System Operator within ninety (90) days of the conclusion of a Connection moratorium. It is recommended that the submeter(s) be located in or near the future meter box to facilitate this requirement. Once Water Meters maintained by the Water Distribution System Operator have been installed and verified by the District, the deed restriction shall be removed.
- (2) When requested, the Responsible Party shall provide the General Manager with individual monthly consumption for each User in a format acceptable to the District. Information shall identify the User of the submeter (e.g. apartment or condo number) and the number of residents in each Dwelling Unit and requested information about common area uses;
- (3) During Stage Four of the Monterey Peninsula Water Conservation and Rationing Plan (Regulation XV), submetered consumption shall be provided to the District monthly or more frequently as requested by the General Manager.

4. Sleepy Hollow Subdivision in Carmel Valley.

- a. All Landscape Area water use shall be supplied by the Sleepy Hollow Non-Potable Water system or by an On-Site Well.
- b. Potable water use shall be supplied by California-American Water Company (also known as the Sleepy Hollow Mutual Potable Water Distribution System) by a Master Meter at the subdivision boundary. See Rule 23-A-1 or Rule 23-A-1-c for restrictions that require annexation of the subdivision by California American Water

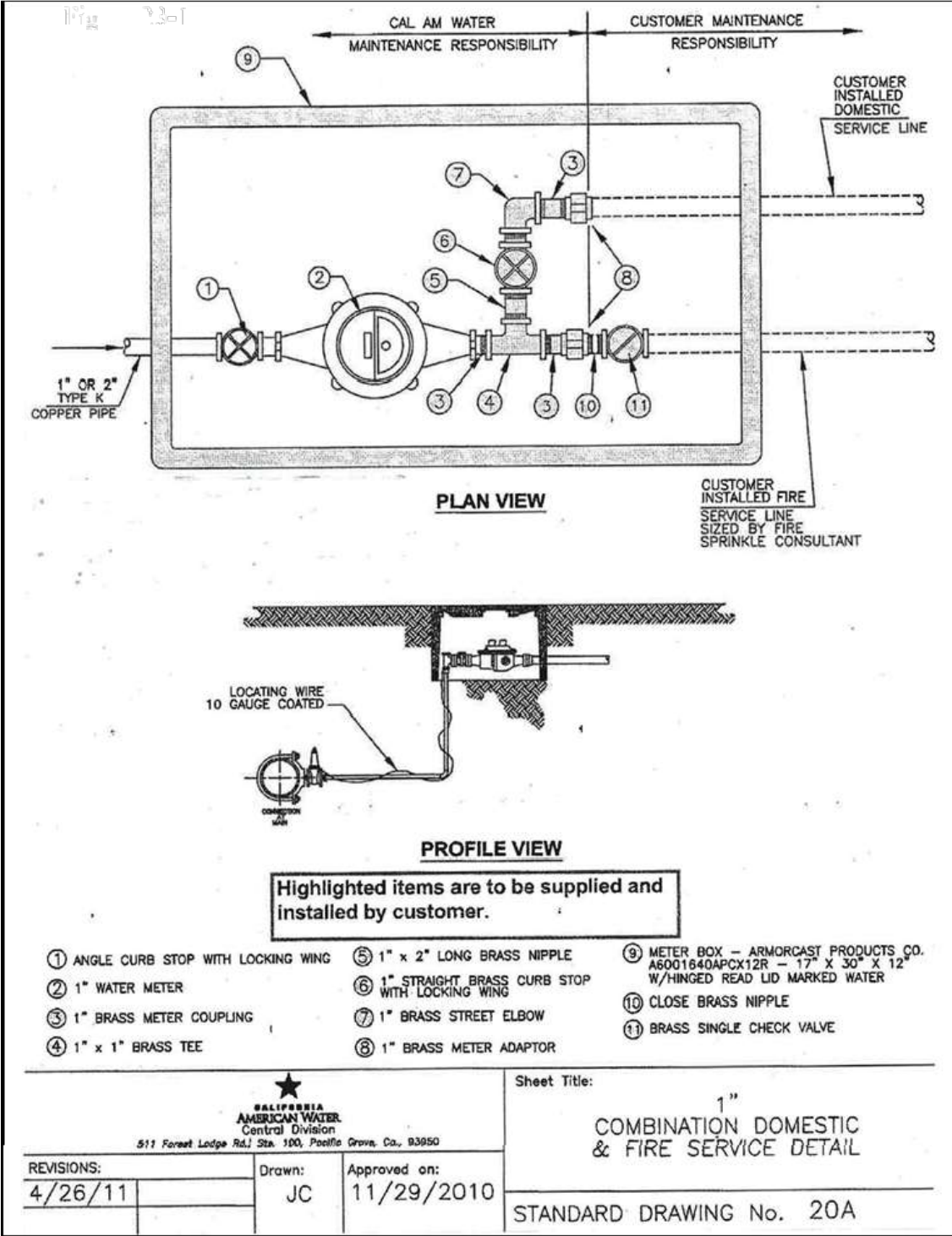
prior to issuance of Water Permits.

- c. Both Potable water uses and Landscape Areas shall be metered by individual Water Meters.

**C. ADJUSTMENT OF ALLOCATION OR WATER USE PERMIT FOR UNUSED WATER CAPACITY**

1. Any permitted Water Use Capacity which is not used because of an abandoned, expired, Revoked, returned, or amended Water Permit shall be returned to the applicable Allocation or Water Use Permit.
2. The Owner of any Benefited Property shall be entitled to receive additional Water Permit(s) until the Water Use Permit has been used in full.

Figure 23-1



**RULE 23 - ACTION ON APPLICATION FOR A WATER PERMIT TO CONNECT TO OR MODIFY A CONNECTION TO AN EXISTING WATER DISTRIBUTION SYSTEM**

**B. MANDATORY CONDITIONS, ACTION ON APPLICATION FOR A WATER PERMIT TO CONNECT TO OR MODIFY AN EXISTING WATER DISTRIBUTION SYSTEM**

1. Construction Affecting the Interior or Exterior of an Existing Structure. All ~~construction Projects within or to an Existing Structure~~ that requires a Water Permit shall be subject to the following conditions:
  - a. The project Site must meet all applicable water conservation requirements of Regulations XIV and XV.
  - b. Other conditions may be placed upon approval as indicated in the applicable rule governing the Water Permit process.
  - c. The Applicant shall arrange for a final inspection by the District upon Project completion. District staff shall review the Project, water fixtures, and Landscaping for compliance with the Water Permit.
  - d. Permit amendments or other actions required as a result of a final inspection shall be completed within thirty (30) days of the date of the final inspection.
  - e. All Water Permits shall include a Notice and Deed Restriction titled “Provide Public Access to Water Use Data.” There shall be no additional charge for this deed restriction.
  - f. To encourage separate metering, permits for Meter Splits for existing Users shall be processed and issued with no charge to the Applicant.
2. Construction of a New Structure.
  - a. Water Meters maintained by the Water Distribution System Operator shall be installed for each Residential and Non-Residential water User except as allowed in Rule 23-B-3.
  - b. All Non-Residential New Structures that include irrigated landscapes of 1,000 square-feet or greater shall utilize a separate Water Meter supplied by the Water Distribution System to measure all exterior water uses. All Residential irrigated landscapes of 5,000 square-feet or greater shall install a sub-meter to measure outdoor water use.

- c. All New Structures receiving a Water Permit after January 1, 2009, shall have separate water supply lines that tee off in the meter box after the Water Meter to supply fire suppression service and domestic service as demonstrated in Figure 23-1, (found at the end of this rule) unless the User has separate Water Meters maintained by the Water Distribution System Operator for fire and domestic services. This configuration shall facilitate installation of a Flow Restrictor in the domestic service without interfering with the fire suppression service. The General Manager shall have authority to make exceptions to this requirement for Undue Hardship. Exceptions shall be recorded on the property title with notice that rationing enforcement could result in a Flow Restrictor.
- d. Other conditions may be placed upon approval as indicated in the applicable rule governing the Water Permit process.
- e. The Applicant shall arrange for a final inspection by the District upon Project completion. District staff shall review the Project, water fixtures, and Landscaping for compliance with the Water Permit.
- f. Permit amendments or other actions required as a result of a final inspection shall be completed within sixty (60) days of the date of the final inspection.
- g. All Water Permits shall include a Notice and Deed Restrictions titled “Provide Public Access to Water Use Data.” There shall be no additional charge for this deed restriction.

3. Water Meter Requirements

- a. Water Meters maintained by the Water Distribution System Operator shall be installed for each Residential and Non-Residential water User with exceptions listed below.
- b. Accessory Dwelling Unit. Permanent submetering of all water use into one Accessory Dwelling Unit shall be allowed when the Jurisdiction confirms there is no potential that the submetered User could be located on a separate Site through subdivision or transfer of ownership of a portion of the Site. An Accessory Dwelling Unit contained within the existing space of a single-family residence or accessory structure (e.g., studio, pool house, or other similar structure) shall be exempt from the submetering requirement. Submetering is, however, encouraged as a conservation tool that promotes the efficient use of water. Transfer of Title to an Accessory Dwelling Unit shall

require installation of a Water Meter for that Dwelling Unit.

- c. Multi-Family Dwelling and Residential Common Interest Developments of four or more units. Permanent submetering of each User's water use in a Multi-Family Dwelling or Residential Common Interest Development of more than four units shall be allowed pursuant to California Water Code Division 1 Chapter 8, Water Measurement. Submeters or Water Meters shall be required for Common Areas. Landscape shall be separately metered pursuant to Rule 142.1.
- Approval of a Water Permit allowing submetering under this provision shall require recordation of a deed restriction on the title of the property that shall encumber current and future Site/common area owners to comply with the following conditions:
- (1) When requested, the Responsible Party shall provide the General Manager with individual monthly consumption for each User in a format acceptable to the District. Information shall identify the User of the submeter (e.g. apartment or condo number) and the number of residents in each Dwelling Unit and information about common area uses;
  - (2) During Stage Four of the Monterey Peninsula Water Conservation and Rationing Plan (Regulation XV), submetered consumption shall be provided to the District monthly or more frequently if requested by the General Manager.
- d. A Non-Residential User may extend incidental water use to another Non-Residential User within an existing structure unless the Remodel or Addition requires a Water Permit for a Change of Use.
- e. A Change of Use shall trigger the requirement for a separate Water Meter if the User has a Bathroom or uses water as a component of their business (i.e., restaurant, Group II uses, manufacturing, etc.).
- f. ~~Users of m~~Multiple structures on a Site occupied by one Non-Residential User may ~~apply for a variance of this Rule~~submeter with a meter per building. A landscape Water Meter may be required by Rule 142.1.
- g. The Board shall consider variances to this Rule when the installation of separate Water Measuring Devices is not feasible due to Special Circumstances. In considering a variance, the Board shall determine if another type of Water Measuring Device is appropriate and shall make reporting of consumption a condition of approval.

h. The General Manager shall allow submetering for each Multi- Family Dwelling (including condominiums and Common Interest Developments), Mixed Use, or Non-Residential User when the installation of separate Water Meters is not feasible and the User is utilizing Water Credits or an Entitlement on a Site that has a Connection. Applications for submetering of Single-Family Dwellings will be considered by the General Manager when the Jurisdiction confirms there is no potential that the submetered User could be located on a separate Site through subdivision or transfer of ownership of a portion of the Site. Approval of a Water Permit allowing submetering under this provision shall require recordation of a deed restriction on the title of the property that shall encumber current and future Site owners to comply with the following conditions:

- (1) The Site’s owner shall have Water Meters installed for each submetered User by the Water Distribution System Operator within ninety (90) days of the conclusion of a Connection moratorium. It is recommended that the submeter(s) be located in or near the future meter box to facilitate this requirement. Once Water Meters maintained by the Water Distribution System Operator have been installed and verified by the District, the deed restriction shall be removed.
- (2) When requested, the Responsible Party shall provide the General Manager with individual monthly consumption for each User in a format acceptable to the District. Information shall identify the User of the submeter (e.g. apartment or condo number) and the number of residents in each Dwelling Unit and requested information about common area uses;
- (3) During Stage Four of the Monterey Peninsula Water Conservation and Rationing Plan (Regulation XV), submetered consumption shall be provided to the District monthly or more frequently as requested by the General Manager.

4. ~~Construction in the~~ Sleepy Hollow Subdivision ~~of in~~ Carmel Valley.

- a. All Landscape Area water use shall be supplied by the Sleepy Hollow Non-Potable Water system or by an On-Site Well.
- b. Potable water use shall be supplied by California-American Water Company (also known as the Sleepy Hollow Mutual Potable Water Distribution System by a Master Meter at the subdivision boundary.

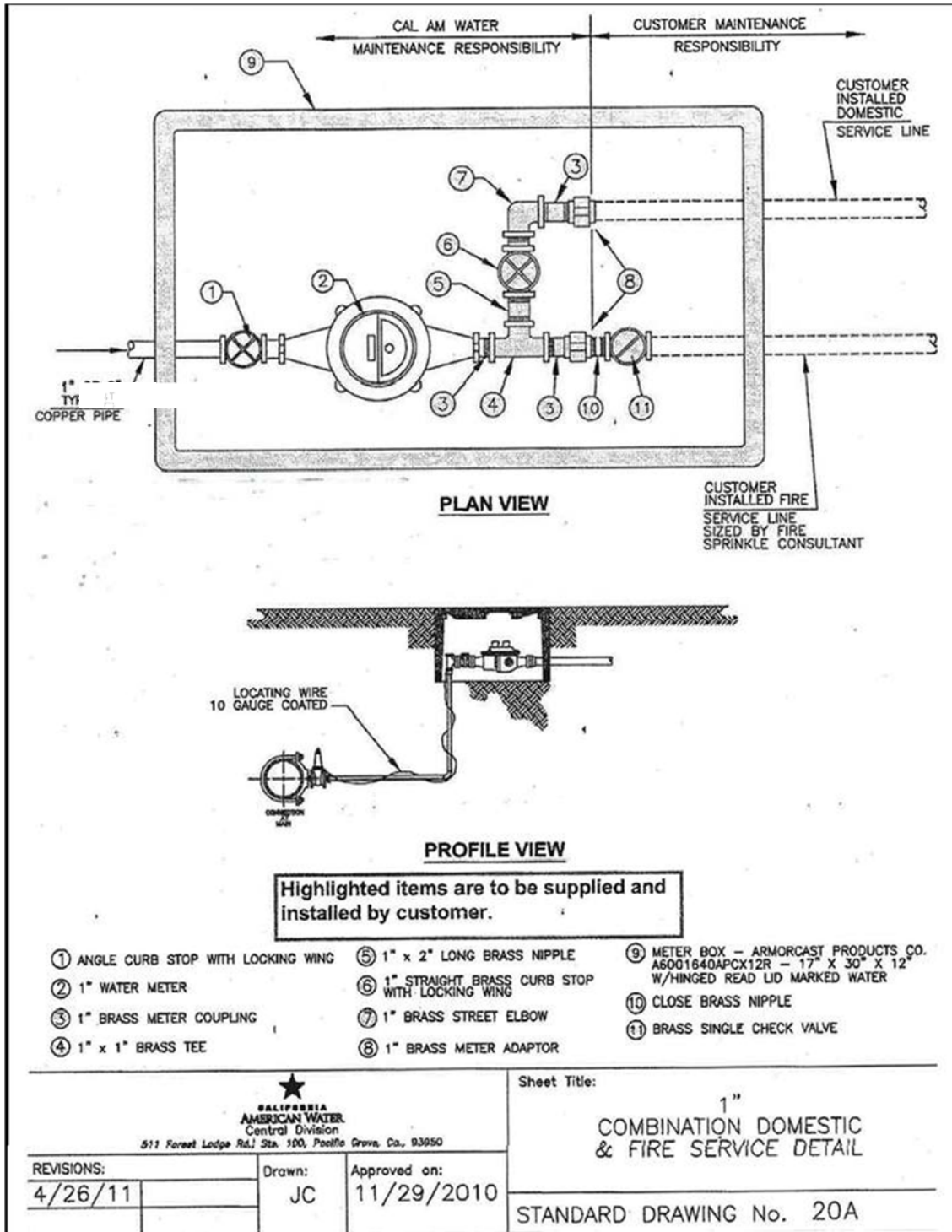
See Rule 23-A-1 for restrictions that require annexation of the subdivision by California American Water prior to issuance of Water Permits.

- c. Both Potable water uses and Landscape Areas shall be metered by individual Water Meters.

**C. ADJUSTMENT OF ALLOCATION OR WATER USE PERMIT FOR UNUSED WATER CAPACITY**

1. Any permitted Water Use Capacity which is not used because of an abandoned, expired, Revoked, returned, or amended Water Permit shall be returned to the applicable Allocation or Water Use Permit.
2. The Owner of any Benefited Property shall be entitled to receive additional Water Permit(s) until the Water Use Permit has been used in full.

Figure 23-1



**RULE 24 - CALCULATION OF WATER USE CAPACITY AND CAPACITY FEES**

**A. RESIDENTIAL CALCULATION OF WATER USE CAPACITY**

Residential Water Use Capacity shall be calculated using a fixture unit methodology whereby each water fixture is assigned a fixture unit value that corresponds to its approximate annual Water Use Capacity. Residential applications shall be reviewed to determine if there is an increase in fixture units as a result of the proposed Project.

1. Methodology for Determining Water Use Capacity

The following process shall be used to determine if there is an increase in Water Use Capacity:

- a. The General Manager shall estimate Water Use Capacity of the proposed Project using the fixture unit values and outdoor water uses calculation from Table 1: Residential Fixture Unit Count Values.
- b. If the application includes a Residential water fixture that is not specifically exempt from the Residential Permit requirements, and no factor is shown on Table 1: Residential Fixture Unit Count Values, for a proposed water fixture, the General Manager shall research the projected annual consumption of the fixture and shall recommend a fixture unit count value to the Board that corresponds to the Estimated Annual Water Use Capacity of the fixture. Table 1 shall subsequently be amended by Resolution of the Board of Directors to assign a value to the new fixture.
- c. Using Table 1: Residential Fixture Unit Count Values, the General Manager shall compare the pre-Project fixture unit count against the fixture unit count shown on the Construction Plans submitted with the Water Release Form and Water Permit application. Pre-Project Estimated Annual Water Use Capacity shall be verified by inspection.
- d. The General Manager shall reduce the Estimated Annual

Ordinance No. 201 – EXHIBIT C

Water Use Capacity by any verified Water Use Credit or On-Site Water Credit applicable to the application as shown on the Water Release Form and Water Permit application and shall determine the Adjusted Water Use Capacity of the proposed Project.

- e. Based upon the review conducted in Rule 24-A-1, the General Manager shall determine if Project will result in a positive, neutral or reduced Water Use Capacity on the Site.
  - (1) An increase in Capacity (Intensification of Use) shall cause the calculation and collection of a Capacity Fee prior to issuance of a Water Permit.
  - (2) No Capacity Fee shall be assessed when there is no increase in Water Use Capacity.
  - (3) A reduction in Water Use Capacity shall result in a Water Use Credit upon verification that the former use has been permanently abandoned. This credit shall be established in conformance with Rule 25.5.

2. Exempt Residential Water Fixtures

The following water fixtures shall be exempt from the Residential Permit requirements and shall have no fixture unit value: Portable Water Fixtures, fountains, ponds, hot tub/spas, drinking fountains, pot fillers behind a cooktop, darkroom sinks, outdoor showers, outdoor sinks, hose bibs, pet/livestock wash racks and water troughs, and multiple Utility Sinks (more than one per Site).

3. Second Bathroom Addition

A distinctive Water Permit protocol shall apply to any Residential application that proposes adding a second Bathroom to a Dwelling Unit built before May 16, 2001, that has less than two full Bathrooms and that has not removed water fixtures in a Bathroom to facilitate the addition of water fixtures elsewhere on the Site.

Ordinance No. 201 – EXHIBIT C

- a. The second Bathroom protocol shall be limited and shall apply only to the following water appliances if they are installed in a second Bathroom as an expansion or remodel of an existing Dwelling Unit:
  - (a) a single toilet, and (b) a single Standard Bathtub, or single Shower Stall, or a single standard tub-shower combination, and (c) one or two Washbasins.
  
- b. The second Bathroom protocol shall further apply to a Residential application that proposes to add one or more of the water fixtures referenced above to a second Bathroom which lacks that fixture(s) within a Dwelling Unit that has less than two full Bathrooms.
  
- c. The second Bathroom protocol shall apply only to a Dwelling Unit that has less than two full Bathrooms and that has not removed basic Bathroom water fixtures (i.e., a toilet, a Standard Bathtub or Shower Stall or a Washbasin) to enable the addition of water fixtures elsewhere on the Site.
  
- d. The second Bathroom protocol shall not apply to any Multi-Family Dwelling or Multi-Family Residential Site with four or more units. Water fixtures installed pursuant to this provision shall be installed within the Dwelling Unit. The second Bathroom protocol shall not be used to create a new Accessory Dwelling Unit. This includes the addition of a second Bathroom elsewhere in the Dwelling Unit that would allow a Bathroom to be used by an Accessory Dwelling Unit or Junior Accessory Dwelling Unit. The protocol was adopted to recognize that a second Bathroom is for convenience. It is not intended to support a new User.
  
- e. Under this second Bathroom protocol, the General Manager shall not debit the Jurisdiction's Allocation for the installation of the water fixtures in the second Bathroom.
  
- f. Capacity Fees shall nonetheless be collected for the

Ordinance No. 201 – EXHIBIT C

addition of fixture units in the second Bathroom.

- g. No credit shall be granted for removal or retrofit of any fixture added pursuant to this second Bathroom protocol.
- h. Use of the second Bathroom protocol is voluntary. Any Dwelling Unit installing a second Bathroom pursuant to this provision shall be limited to two Bathrooms unless the fixtures permitted by this protocol in the second Bathroom are permitted by debit to a Jurisdiction's Allocation, an Entitlement, or offset by a credit. A Notice and Deed Restriction Regarding Limitation on Use of Water on a Property shall be recorded on the real property as a condition of the Water Permit.
- i. All Water Permits issued pursuant to this Rule shall include a Notice and Deed Restriction titled "Provide Public Access to Water Use Data" pursuant to Rule 23. In addition, permits utilizing the second Bathroom protocol shall authorize access to water records for the sixty (60) months prior to the date the Water Permit is issued.
- j. The provisions of this second Bathroom protocol shall take precedence and supersede any contrary provision of the Water Management District Rules and Regulations.

4. Master Bathroom Fixture Unit Accounting

- a. All fixtures utilizing a Master Bathroom fixture unit value as shown in Table 1: Residential Fixture Unit Count Values shall occur in the same Bathroom, and that Bathroom shall be designated as the "Master Bathroom." Each Dwelling Unit shall have no more than one Master Bathroom.
- b. The Master Bathroom fixture unit value shall not apply to second Bathrooms utilizing the second Bathroom protocol.

5. Exterior Residential Water Demand Calculations

See Rule 142.1, Water Efficient Landscape Requirements, for calculation of landscape water demand. An additional 0.01 Acre-Foot of water shall be added for outdoor water uses other than irrigation.

- a. Exterior water demand shall be calculated according to Rule 142.1.

6. Swimming Pools Filled By Mobile Water Distribution System

Swimming Pools constructed with a condition prohibiting use of the local Potable Water Distribution System to fill the pool shall be required to secure their water supply from an entity that holds a current and valid Water Hauler's License from the California Department of Public Health, Food and Drug Branch (FDB). The Water Hauler's License is required to haul more than 250 gallons by any means of transportation for drinking, culinary, or other purposes involving a likelihood of the water being ingested by humans. There shall be a minimum deduction to the Water Distribution System serving the property in the amount of 0.01 Acre-Foot Annually to offset potential maintenance demand in addition to the requirement to fill and maintain the pool using a licensed Mobile Water Distribution System.

7. Calculating Adjusted Water Use Capacity

- a. Each fixture unit shall have a value of 0.01 Acre-Foot of water.
- b. Water use calculations shall be rounded to the third decimal place.

8. Multi-Family Dwelling Clothes Washers

Installation of a High Efficiency Clothes Washer within a Dwelling Unit constructed prior to January 1, 2022, on a Multi-Family Residential Site or Common Interest Development served by a Common Laundry Room does not increase Capacity.

**B. NON-RESIDENTIAL CALCULATION OF WATER USE CAPACITY**

Non-Residential Water Use Capacity shall be calculated using Table 2: Non-Residential Water Use Factors. Each Non-Residential use shall be assigned a factor that when multiplied by a specified measurement shown on Table 2 (i.e., square-footage, number of rooms/seats, etc.) results in an estimate of the approximate annual Water Use Capacity in Acre-Feet. Non-Residential applications shall be reviewed to determine if there is an increase in water demand as a result of the proposed Project. Amendments to Table 2 shall be made by Resolution of the Board of Directors.

1. Methodology for Determining Water Use Capacity

The following process shall be used to determine if there is an increase in Water Use Capacity:

- a. The General Manager shall estimate Water Use Capacity of the proposed Project using the Water Use Factors from Table 2: Non-Residential Water Use Factors.
  - (1) New Construction: When the Non-Residential Water Use Factor is based on a square-footage factor, the gross square-footage shall be applied to the factor for construction of a new building.
  - (2) Tenant Improvements within a defined lease space: When the Non-Residential Water Use Factor is based on square-footage for a Tenant Improvement in a defined lease space, the useable square-footage shall be applied to the factor. This calculation does not affect the remaining Capacity of the building and is to be used only to identify the Capacity of the area being remodeled.
- b. When a Non-Residential Project proposes two or more of the uses set forth in Table 2, each proposed use shall be subject to a separate calculation. By way of example, a hotel with a restaurant would be subject to both the hotel use by unit and the restaurant use by seat calculation.

Ordinance No. 201 – EXHIBIT C

Where a proposed use can be placed in more than one group, the group which most accurately depicts overall projected water use shall be selected or the uses shall be calculated based on the square-footage or other factor for each area in which the use occurs. When the proposed use appears to fall into more than one group or use, the higher factor shall be used.

- c. If the application includes a Non-Residential use that is not identical to or similar to those uses shown on Table 2: Non-Residential Water Use Factors, the General Manager shall research the projected annual consumption of the use and shall recommend a value to the Board that corresponds to the Estimated Annual Water Use Capacity.
- d. The General Manager shall compare the pre-Project Estimated Annual Water Use Capacity against the Estimated Annual Water Use Capacity shown on the Construction Plans submitted with the Water Release Form and Water Permit application. Pre-Project Estimated Annual Water Use Capacity may be verified by inspection.
- e. The General Manager may reduce the Estimated Annual Water Use Capacity for the permanent installation and use of known and validated technology that results in a quantifiable reduction in Water Use Capacity above that anticipated with Best Management Practices.
- f. The General Manager shall reduce the Estimated Annual Water Use Capacity by any verified Water Use Credit or On-Site Water Credit applicable to the application as shown on the Water Release Form and Water Permit application and shall determine the Adjusted Water Use Capacity of the proposed project.
- g. Based upon the review conducted in 24-B-1-f, the General Manager shall determine if the Project will result in a positive, neutral or reduced Water Use Capacity on the Site.

Ordinance No. 201 – EXHIBIT C

- (1) An increase in Capacity (Intensification of Use) shall cause the calculation and collection of a Capacity Fee prior to issuance of a Water Permit.
  - (2) No Capacity Fee shall be assessed when there is no increase in Water Use Capacity.
  - (3) A reduction in Water Use Capacity shall result in a Water Credit upon verification that the former use has been abandoned. This credit shall be established in conformance with Rule 25.5.
- h. Non-Residential Projects at Public School District Sites acquired prior to 2020 shall be considered to have a zero Adjusted Water Use Capacity when the entire Public School District Site meets or exceeds Rule 143 Water Efficiency Standards for Existing Non-Residential Uses.
- i. A Restaurant’s Water Use Capacity shall be determined by the maximum Interior Restaurant Seat count authorized by the Jurisdiction and District. Exterior Restaurant Seats may be maintained for al fresco dining without a requirement for a new or amended Water Permit provided the maximum number of Exterior Restaurant Seats does not exceed one-half the number of authorized Interior Restaurant Seats (the “standard exterior seat allowance”). Exterior Restaurant Seating not in compliance with this paragraph shall require a new or amended Water Permit.
2. Exterior Water Demand Shall be Calculated According to Rule 142.1
  3. Calculating Adjusted Water Use Capacity

Water use calculations shall be rounded to the third decimal place.

**C. WATER SUPPLY COST COMPONENT**

The water supply cost component used as a monetary multiplier in each Capacity Fee calculation required by this rule shall be \$10,623.20. This water supply cost component shall be adjusted on July 1<sup>st</sup> of each year beginning in July, 1985, to include the annual increase or decrease of the April Consumer Price Index (CPI), all items, for San Francisco/Oakland, as promulgated by the U.S. Department of Labor Bureau of Statistics. The adjusted multiplier shall apply to each Water Permit application received on or after July 1<sup>st</sup> of each year. Table 3: Capacity Fee History shall be updated annually by Resolution of the Board to reflect the current year's Capacity Fee.

**D. CALCULATION OF CAPACITY FEES**

The Capacity Fee paid for a Water Permit shall be determined by multiplying the Adjusted Water Use Capacity by the current Capacity Fee. This charge shall be applied to each application for a Water Permit as follows:

1. Projects served by the California American Water Company System and Seaside Municipal Water System shall pay 100 percent of the final calculation.
2. All other Water Distribution Systems, including private Wells and other Water Distribution Systems, shall pay 18.67 percent of the final calculation.

**E. ADJUSTMENT OF CALCULATIONS WHERE SPECIAL CIRCUMSTANCES EXIST**

1. The General Manager may reduce (or increase) the Adjusted Water Use Capacity when Special Circumstances exist with respect to the anticipated water consumption resulting from that Permit. Special Circumstances shall be deemed to exist in the following circumstances:
  - a. After project completion and verification that Sub-potable Water or untreated Well water is the exclusive supply for all

Ordinance No. 201 – EXHIBIT C

exterior uses, the General Manager may make a proportional adjustment for the final Adjusted Water Use Capacity and shall refund that portion of the Capacity Fee and the portion of water debited from an Allocation or Water Entitlement.

- b. Projects that utilize water in conjunction with a manufacturing process.
  - c. Non-Residential projects owned by a Public entity.
2. The preliminary Estimated Annual Water Use Capacity Adjustment shall operate to exact a Capacity Fee as it relates to the increment of water which is projected to be available to and subject to use by the Applicant as a function of the Connection or the use of water. In the absence of a comparable water use factor on Table 2, the General Manager may make this adjustment based upon projected use figures supported by historical use or other relevant documentation. In the absence of Special Circumstances, calculation of the Estimated Annual Water Use Capacity shall be made by use of Non-Residential Water Use Factors shown on Table 2.
  3. The General Manager shall be granted authority to factor Adjusted Water Use Capacity and Capacity Fees for Industrial and Public Projects based upon the actual average annual water use record following 60 months of occupancy and use without the necessity of a hearing before the Board of Directors. The process shall require payment of an estimated Capacity Fee and corresponding Allocation or Water Entitlement debit. The final Capacity Fee and corresponding Allocation or Water Entitlement debit shall be adjusted upon the actual annual water use record for that Connection.
  4. For all situations where the General Manager finds Special Circumstances with Substantial Uncertainty exist regarding the Estimated Annual Water Use Capacity proposed by the permit Applicant, the Board shall consider approving a Water Permit upon payment of an estimated Capacity Fee and corresponding

Ordinance No. 201 – EXHIBIT C

Allocation or Water Entitlement debit. The final Capacity Fee and corresponding Allocation or Water Entitlement debit shall be adjusted upon the actual average annual water use record for that Connection.

5. This Rule shall not apply where a single meter supplies more than one water User.
6. All Water Permits issued with a finding of Special Circumstances shall be subject to the following conditions:
  - a. A deed restriction listing the conditions of the Permit shall be recorded on the property prior to issuance of a Water Permit.
  - b. By written communication, the Jurisdiction shall authorize the District to issue a Water Permit based on a finding of Special Circumstances consistent with CEQA compliance for the approved Project.
  - c. The Jurisdiction shall acknowledge in writing to the District that annual average water use above the preliminary Estimated Annual Water Use Capacity shall either result in a debit to its Allocation or shall require additional action to reduce or offset water use as authorized by the District Board.
  - d. Approval of Special Circumstances with Substantial Uncertainty is valid for thirty-six (36) months. The project shall be completed within thirty six (36) months of District approval. One extension of time for twelve (12) months will be granted by the General Manager upon evidence of due diligence by the Applicant.
  - e. The Project shall be exclusively equipped with all reasonable conservation measures as determined by the General Manager.
  - f. The property owner shall agree to allow public access to

Ordinance No. 201 – EXHIBIT C

water consumption records for the life of the Project. Access shall be authorized by recordation of the appropriate deed restriction.

- g. A Landscape Documentation Package, shall be included with the Water Permit application.
- h. Prior to issuance of a Water Permit, the Water Permit Applicant shall submit Capacity Fees and processing fees as outlined in Rule 24 and Rule 60.
- i. A water meter shall be installed to monitor exterior water use, apart from any interior use. District staff shall have access to the water meters and consumption reports upon reasonable request.
- j. The property owner or his agent shall annually complete and submit a Special Circumstances Review Form and applicable attachments to the District by February 1. The Special Circumstances Review Form shall require the property owner to provide information about the Project's annual water use and practices, copies of the past year's water bills, information about the performance of any special appliances, and other information useful in reviewing Project-related water demand. The Special Circumstances Review Form shall be submitted each year during construction and for ten years following full occupancy after completion of the Project.
- k. Water use will be reviewed annually after occupancy. If actual water use exceeds the preliminary Water Use Capacity estimate during any annual review, the District will debit the Jurisdiction's Allocation for the difference. At the end of the monitoring period, if the average annual water use exceeds the preliminary Water Use Capacity estimate, the District will determine whether the Jurisdiction shall transfer some of its Allocation to the Project, or whether the Applicant shall pay the cost of District-approved water conservation projects within the

Ordinance No. 201 – EXHIBIT C

District or on the Project Site to establish Water Use Credits to offset the increased increment of water needed by the Project.

1. The Applicant and any successor in interest to the Water Permit shall enter into an indemnification agreement with the District, whereby the Applicant agrees to indemnify, defend and hold harmless the District from any and all legal and financial responsibility that may arise in connection with approval of the application, including but not limited to attorney's fees and costs that the District may incur.
  
7. The Board shall specify the appropriate number of years to monitor actual annual water use when it finds Special Circumstances with Substantial Uncertainty exist.
  
8. In all applications where evidence does not support the finding that Special Circumstances with Substantial Uncertainty exist regarding a Project's Water Use Capacity, it shall be presumed that the Non-Residential Water Use Factors as shown on Table 2 apply to the Permit.
  
9. Determinations of the General Manager pursuant to this Rule may be appealed to the Board.

**F. CAPACITY FEE REFUNDS**

1. The Capacity Fee paid for a Water Permit under these Rules and Regulations shall be a fee retained by the District in consideration of, and as reimbursement for the costs and expenses incurred by the District in planning for, acquiring, reserving, and maintaining capacity in the water distribution facilities existing or to be constructed within the District.
  
2. If a Project, as built, eliminates all or a portion of the Adjusted Water Use Capacity upon which the Water Permit was originally calculated, a refund of that portion of the Capacity Fee may occur.
  
3. Refunds of Capacity Fees shall occur if the Permit is abandoned

prior to construction.

4. Refunds will only occur if a reduction in the Water Use Capacity is documented, or for abandoned Projects, if the Applicant has permanently removed the Water Meter and canceled the building permit.
5. Requests for refunds shall be in writing, and shall include the Water Permit number and the reason a refund is requested. Refunds are subject to fees under Rule 60.
6. All refunds shall be made to the then-current titleholder of the real property to which the Water Permit was issued.
7. Refunds requested for Capacity Fees paid for a Conditional Water Permit shall be processed under the following time lines:
  - a. Refunds of less than fifty thousand dollars (\$50,000) shall be processed within thirty (30) days;
  - b. Refunds between fifty thousand dollars (\$50,000) and one hundred thousand dollars (\$100,000) shall be processed within forty-five (45) days;
  - c. Refunds over one hundred thousand dollars (\$100,000) shall be processed within sixty (60) days.

**G. CAPACITY FEE FUND ACCOUNTING**

1. The District shall maintain separate accounts in its general fund for Capacity Fees received. Those separate fund accounts shall be maintained and designated as Capacity Fee accounts “A” and “B”. Account “A” shall receive 18.67% of all Capacity Fees collected. Account “B” shall receive 81.33% of all Capacity Fees collected. The proceeds of any connection surcharge shall be transferred to the District’s general fund, without restriction.
2. Capacity Fee funds shall be expended from Capacity Fee accounts “A” and “B” for the sole purpose of planning for, acquiring and/or

reserving augmented water supply capacity for District water distribution facilities. It is recognized that such purposes include engineering, hydrologic, geologic, fishery, appraisal, financial, and property acquisition endeavors. Capacity Fee funds may further be used to acquire, maintain, and/or reserve capacity in existing water distribution facilities existing within the District.

**H. PERMIT FEE PAYMENT PLANS**

1. Except as may be required by operation of law, or as approved by the Board of Directors on a case-by-case basis pursuant to this Rule, the District shall not authorize a payment plan for fees and charges due for the issuance of a Water Permit. This means that no Permit will be issued by the District unless all required fees and charges have first been paid in full to the District. In any circumstance where a Permit has been issued on less than full payment of all fees and charges due from that Parcel, that Permit shall immediately be Suspended and thereafter Revoked. Revocation of a Water Permit shall cause removal or limitation of water service to that Connection.
  
2. Notwithstanding any provision of this Rule, the Board, on a case-by-case basis, may authorize delayed payment for Projects which are solely undertaken by California Non-Profit Public Benefit Corporations provided each such plan shall ensure, by recorded deed restriction which includes the consent of each property owner, that all fees and charges due for the issuance of a Water Permit, together with deferred interest at the rate to be set by the Board, shall be paid in full in the event Project-ownership or occupancy is transferred to any entity other than a California Non-Profit Public Benefit Corporation. This provision is intended for use only in the presence of a substantial financial hardship to the Project proponent such that the development of the Project would be jeopardized by the present assessment of the full fees and charges due for the issuance of a Water Permit.

## Ordinance No. 201 – EXHIBIT C

*No. 111 (1/29/2004); Ordinance No. 114 (5/17/2004); Ordinance No. 125 (9/18/2006); Ordinance No. 145 (9/20/2010); Ordinance No. 157 (12/9/2013); Ordinance No. 162 (8/18/2014); Ordinance No. 164 (4/20/2015); Ordinance No. 170 (5/16/2016); Ordinance No. 176 (1/25/2017); Ordinance No. 177 (9/18/2017); Ordinance No. 182 (5/20/2019); Ordinance No. 185 (5/18/2020); Ordinance No. 189 (12/13/2021); Ordinance No. 193 (8/21/2023); Ordinance No. 198 (7/21/2025)*

**TABLE 1: RESIDENTIAL FIXTURE UNIT COUNT VALUES**

<b>Water Fixture Description</b>		<b>Fixture Unit Value</b>
1	Washbasin , each	1
2	Two Washbasins in the Master Bathroom	1
3	Toilet	1.3
4	Toilet, Ultra High Efficiency w/Deed Restriction (UHET) (0.8 gallon maximum)	0.8
5	Urinal, (Pint (0.125 gallon maximum)	0.1
6	Urinal, Zero Water Consumption	0
7	Bathtub, (may be Large Bathtub) & Separate Shower located in the Master Bathroom	3
8	Bathtub, Large (may have Showerhead above)	3
9	Bathtub, Standard (may have Showerhead above) or Shower Stall (one Showerhead)	2
10	Shower, each additional fixture (including additional Showerheads, Body Spray Nozzles, etc.)	2
11	Shower System, Rain Bars, or Custom Shower (varies according to specifications)	Inquire
12	Kitchen Sink (including optional adjacent non-High Efficiency Dishwasher)	2
13	Kitchen Sink with adjacent High Efficiency Dishwasher <sup>1</sup>	1.5
14	Dishwasher, High Efficiency, each additional (including optional adjacent sink	1.5
16	Laundry Sink/Utility Sink (debit/Capacity Fee applies to only one Laundry/Utility Sink per Residential Site)	2
17	Clothes Washer (existing non-High Efficiency Clothes Washer)	2
18	Clothes Washer, Common Laundry Room (per Dwelling Unit with access to the CLR)	1
19	Clothes Washer, High Efficiency (HEW)	1
20	Bidet	1
21	Bar Sink	1
22	Entertainment Sink	1
23	Vegetable Sink	1
24	Swimming Pool (each 100 square-feet of pool surface area)	1
25	For all new Connections -- Refer to Rule 24-A-5, Exterior Residential Water Demand Calculations.	

<sup>1</sup>When a Kitchen Sink exists without the benefit of a Dishwasher, a Dishwasher may be added without a Water Permit.

*Table Amended by Resolution 2009-11 (8/17/2009); Ordinance No. 140 (11/16/2009); Resolution 2009-13 (12/14/2009); Resolution 2010-15 (12/13/2010); Ordinance No. 151 (11/19/2012); Ordinance No. 156 (11/18/2013); Resolution 2016-04 (2/17/2016); Resolution 2021-14 (11/15/2021); Resolution 2022-22 (7/18/2022)*

**TABLE 2: NON-RESIDENTIAL WATER USE FACTORS****Group I**      0.00007 AF/SF

Users in this category are low water uses where water is primarily used for employee hygiene and minimal janitorial uses. Examples are offices, warehouses, and low water use retail businesses.

**Group II**      0.0002 AF/SF

Users in this category prepare and/or sell food/beverages that are primarily provided to customers in/on disposable tableware. Food with high moisture content and liquid food may be served on reusable tableware. Glassware may be used to serve beverages. Users in this category are not full-service restaurants.

**Group III**

Assisted Living (more than 6 beds) <sup>2</sup>	0.085 AF/Bed
Bar (limited food/not a full-service restaurant)	0.0002 AF/SF <sup>1</sup>
Dog Grooming	0.0567 AF/Grooming Station
Child/Dependent Adult Day Care	0.0072 AF/Person
Dry Cleaner w/on-Site laundry	0.0002 AF/SF
Dormitory Beds @ Educational Institution <sup>3</sup>	0.02 AF/Bed
Laundromat	0.12 AF/Machine
Motel/Hotel/Bed & Breakfast	0.064 AF/Bedroom
Large Bathtub (Add to bedroom factor)	0.03 AF/Tub
Each additional Showerhead beyond one per stall (Add to bedroom factor)	0.02 AF/Showerhead
Nail and/or Beauty Salon	0.00007 AF/SF
Irrigated Areas/Landscaping	ETWU (See Rule 142.1)
Plant Nursery	0.00009 AF/SF Land Area
Public Toilet	0.058 AF/Toilet
Public Urinal	0.036 AF/Urinal
Zero Water Consumption Urinal	No Value
Recreational Vehicle Water Hookup	0.064 AF
Restaurant - Full Service (including associated Bar Seats)	0.02 AF/Interior Restaurant Seat
Exterior Restaurant Seats above the “Standard Exterior Seat Allowance” <sup>4</sup>	0.01 AF/Exterior Restaurant Seat
Exterior Restaurant Seats within the “Standard Exterior Seat Allowance”	No Value
Restaurant (24-Hour and Fast Food)	0.038 AF/Interior Restaurant Seat
School or Church	0.00007 AF/SF
Self-Storage	0.0002 AF/100 SF
Skilled Nursing/Alzheimer’s Care	0.12 AF/Bed
Spa	0.05 AF/Spa
Swimming Pool	0.02 AF/100 SF of Surface Area
Theater	0.0012 AF/Seat

**Group IV - MODIFIED NON-RESIDENTIAL USES**

Users in this category have a reduced water Capacity compared to Groups I-III and have received a Water Use Credit for modifications (Rule 25.5-F-4-d) or the permanent installation of validated technology that results in a quantifiable reduction in Water Use Capacity. Please inquire for specific property information.

**Group V - INDUSTRIAL USES**

Users in this category use water during the production process for either creating their products or cooling equipment. Industrial water may also be used for fabricating, processing, washing, diluting, cooling, or transporting a product.

<sup>1</sup> ABC Licensed Premises Diagram area shall be used for calculation of square-footage.

Ordinance No. 201 – EXHIBIT C

- <sup>2</sup> Assisted living Dwelling Units shall be permitted as Residential uses per Table 1, Residential Fixture Unit Count Values.
- <sup>3</sup> Dormitory water use at educational facilities is a Residential use, although the factor is shown on Table 2.
- <sup>4</sup> See Rule 24-B-1 and Rule 25.5 for information about the “Standard Exterior Seat Allowance”.

Ordinance No. 201 – EXHIBIT C

This includes industries involved in the production of chemicals and food products, as well as certain hospital uses. The Water Use Capacity shall be determined after reviewing the project’s construction and business plans, along with estimated water use, and may be considered under Rule 24 Special Circumstances.

Notes: Any Non-Residential water use which cannot be characterized by one of the use categories set forth in Table 2 shall be designated as “other” and assigned a factor which has a positive correlation to the anticipated Water use Capacity for that Site. When a Non-Residential project proposes two or more of the uses set forth in Table 2, each proposed use shall be subject to a separate calculation. When the proposed use appears to fall into more than one group or use, the higher factor shall be used.

*Table amended by Ordinance No. 125 (9/29/2006); Resolution 2008-01 (1/24/2008); Resolution 2010-15 (12/13/2010); Resolution 2013-16 (9/16/2013); Resolution 2014-04 (3/17/2014); Resolution 2014-12 (7/21/2014); Ordinance No. 164 (4/20/2015); Resolution 2016-06 (3/21/2016); Ordinance No. 176 (1/25/2017); Resolution 2017-14 (7/21/2017); Resolution 2017-16 (12/11/2017); Resolution 2018-21 (11/19/2018); Ordinance No. 182 (5/20/2019); Resolution 2019-10 (7/15/2019); Resolution 2019-15 (9/16/2019); Resolution 2021-15 (11/15/2021); Resolution 2022-27 (9/19/2022); Resolution 2022-33 (11/14/2022); Resolution 2024-14 (12/16/2024)*

**RULE 24 - CALCULATION OF WATER USE CAPACITY AND CAPACITY FEES**

**A. RESIDENTIAL CALCULATION OF WATER USE CAPACITY**

Residential Water Use Capacity shall be calculated using a fixture unit methodology whereby each water fixture is assigned a fixture unit value that corresponds to its approximate annual Water Use Capacity. Residential applications shall be reviewed to determine if there is an increase in fixture units as a result of the proposed Project.

1. Methodology for Determining Water Use Capacity

The following process shall be used to determine if there is an increase in Water Use Capacity:

- a. The General Manager shall estimate Water Use Capacity of the proposed Project using the fixture unit values and outdoor water uses calculation from Table 1: Residential Fixture Unit Count Values.
- b. If the application includes a Residential water fixture that is not specifically exempt from the Residential Permit requirements, and no factor is shown on Table 1: Residential Fixture Unit Count Values, for a proposed water fixture, the General Manager shall research the projected annual consumption of the fixture and shall recommend a fixture unit count value to the Board that corresponds to the Estimated Annual Water Use Capacity of the fixture. Table 1 shall subsequently be amended by Resolution of the Board of Directors to assign a value to the new fixture.
- c. Using Table 1: Residential Fixture Unit Count Values, the General Manager shall compare the pre-Project fixture unit count against the fixture unit count shown on the Construction Plans submitted with the Water Release Form and Water Permit application. Pre-Project Estimated Annual Water Use Capacity shall be verified by inspection.
- d. The General Manager shall reduce the Estimated Annual

Ordinance No. 201 – EXHIBIT C-1

Water Use Capacity by any verified Water Use Credit or On-Site Water Credit applicable to the application as shown on the Water Release Form and Water Permit application and shall determine the Adjusted Water Use Capacity of the proposed Project.

- e. Based upon the review conducted in Rule 24-A-1, the General Manager shall determine if Project will result in a positive, neutral or reduced Water Use Capacity on the Site.
  - (1) An increase in Capacity (Intensification of Use) shall cause the calculation and collection of a Capacity Fee prior to issuance of a Water Permit.
  - (2) No Capacity Fee shall be assessed when there is no increase in Water Use Capacity.
  - (3) A reduction in Water Use Capacity shall result in a Water Use Credit upon verification that the former use has been permanently abandoned. This credit shall be established in conformance with Rule 25.5.

2. Exempt Residential Water Fixtures

The following water fixtures shall be exempt from the Residential Permit requirements and shall have no fixture unit value: Portable Water Fixtures, fountains, ponds, hot tub/spas, drinking fountains, pot fillers behind a cooktop, darkroom sinks, outdoor showers, outdoor sinks, hose bibs, pet/livestock wash racks and water troughs, and multiple Utility Sinks (more than one per Site).

3. Second Bathroom Addition

A distinctive Water Permit protocol shall apply to any Residential application that proposes ~~to add~~adding a second Bathroom to a Dwelling Unit built before May 16, 2001, that has less than two full Bathrooms and that has not removed water fixtures in a Bathroom to facilitate the addition of water fixtures elsewhere on the Site.

- a. The second Bathroom protocol shall be limited and shall apply only to the following water appliances if they are installed in a second Bathroom as an expansion or remodel of an existing Dwelling Unit:  
(a) a single toilet, and (b) a single Standard Bathtub, or single Shower Stall, or a single standard tub-shower combination, and (c) one or two Washbasins.
- b. The second Bathroom protocol shall further apply to a Residential application that proposes to add one or more of the water fixtures referenced above to a second Bathroom which lacks that fixture(s) within a Dwelling Unit that has less than two full Bathrooms.
- c. The second Bathroom protocol shall apply only to a Dwelling Unit that has less than two full Bathrooms and that has not removed basic Bathroom water fixtures (i.e., a toilet, a Standard Bathtub or Shower Stall or a Washbasin) to enable the addition of water fixtures elsewhere on the Site.
- d. The second Bathroom protocol shall not apply to any Multi-Family Dwelling or Multi-Family Residential Site with four or more units. Water fixtures installed pursuant to this provision shall be installed within the Dwelling Unit. The second Bathroom protocol shall not be used to create a new Accessory Dwelling Unit. This includes the addition of a second Bathroom elsewhere in the Dwelling Unit that would allow ~~the first~~ Bathroom to be used by an Accessory Dwelling Unit or ~~junior~~ Junior Accessory Dwelling Unit. The protocol was adopted to recognize that a second Bathroom is for convenience. It is not intended to support a new User.
- e. Under this second Bathroom protocol, the General Manager shall not debit the Jurisdiction's Allocation for the installation of the water fixtures in the second Bathroom.

Ordinance No. 201 – EXHIBIT C-1

- f. Capacity Fees shall nonetheless be collected for the addition of fixture units in the second Bathroom.
- g. No credit shall be granted for removal or retrofit of any fixture added pursuant to this second Bathroom protocol.
- h. Use of the second Bathroom protocol is voluntary. Any Dwelling Unit installing a second Bathroom pursuant to this provision shall be limited to two Bathrooms unless the fixtures permitted by this protocol in the second Bathroom is-are permitted by debit to a Jurisdiction's Allocation, an Entitlement, or offset by a credit. A Notice and Deed Restriction Regarding Limitation on Use of Water on a Property shall be recorded on the real property as a condition of the Water Permit.
- i. All Water Permits issued pursuant to this Rule shall include a Notice and Deed Restriction titled "Provide Public Access to Water Use Data" pursuant to Rule 23. In addition, permits utilizing the second Bathroom protocol shall authorize access to water records for the sixty (60) months prior to the date the Water Permit is issued.
- j. The provisions of this second Bathroom protocol shall take precedence and supersede any contrary provision of the Water Management District Rules and Regulations.

4. Master Bathroom Fixture Unit Accounting

- a. All fixtures utilizing a Master Bathroom fixture unit value as shown in Table 1: Residential Fixture Unit Count Values shall occur in the same Bathroom, and that Bathroom shall be designated as the "Master Bathroom." Each Dwelling Unit shall have no more than one Master Bathroom.
- b. The Master Bathroom fixture unit value shall not apply to second Bathrooms utilizing the second Bathroom protocol.

5. Exterior Residential Water Demand Calculations

See Rule 142.1, Water Efficient Landscape Requirements, for calculation of landscape water demand. An additional 0.01 Acre-Foot of water shall be added for outdoor water uses other than irrigation.

- a. Exterior water demand shall be calculated according to Rule 142.1.

6. Swimming Pools Filled By Mobile Water Distribution System

Swimming Pools constructed with a condition prohibiting use of the local Potable Water Distribution System to fill the pool shall be required to secure their water supply from an entity that holds a current and valid Water Hauler's License from the California Department of Public Health, Food and Drug Branch (FDB). The Water Hauler's License is required to haul more than 250 gallons by any means of transportation for drinking, culinary, or other purposes involving a likelihood of the water being ingested by humans. There shall be a minimum deduction to the Water Distribution System serving the property in the amount of 0.01 Acre-Foot Annually to offset potential maintenance demand in addition to the requirement to fill and maintain the pool using a licensed Mobile Water Distribution System.

7. Calculating Adjusted Water Use Capacity

- a. Each fixture unit shall have a value of 0.01 Acre-Foot of water.
- b. Water use calculations shall be rounded to the third decimal place.

8. Multi-Family Dwelling Clothes Washers

Installation of a High Efficiency Clothes Washer within a Dwelling Unit constructed prior to January 1, 2022, on a Multi-Family Residential Site or Common Interest Development served by a Common Laundry Room does not increase Capacity.

**B. NON-RESIDENTIAL CALCULATION OF WATER USE CAPACITY**

Non-Residential Water Use Capacity shall be calculated using Table 2: Non-Residential Water Use Factors. Each Non-Residential use shall be assigned a factor that when multiplied by a specified measurement shown on Table 2 (i.e., square-footage, number of rooms/seats, etc.) results in an estimate of the approximate annual Water Use Capacity in Acre-Feet. Non-Residential applications shall be reviewed to determine if there is an increase in water demand as a result of the proposed Project. Amendments to Table 2 shall be made by Resolution of the Board of Directors.

1. Methodology for Determining Water Use Capacity

The following process shall be used to determine if there is an increase in Water Use Capacity:

a. The General Manager shall estimate Water Use Capacity of the proposed Project using the Water Use Factors from Table 2: Non-Residential Water Use Factors.

(1) New Construction: When the Non-Residential Water Use Factor is based on a square-footage factor, the gross square-footage shall be applied to the factor for construction of a new building.

(2) Tenant Improvements within a defined lease space: When the Non-Residential Water Use Factor is based on square-footage for a Tenant Improvement in a defined lease space, the useable square-footage shall be applied to the factor. This calculation does not affect the remaining Capacity of the building and is to be used only to identify the Capacity of the area being remodeled.

b. When a Non-Residential Project proposes two or more of the uses set forth in Table 2, each proposed use shall be subject to a separate calculation. By way of example, a hotel with a restaurant would be subject to both the hotel

use by unit and the restaurant use by seat calculation. Where a proposed use can be placed in more than one group, the group which most accurately depicts overall projected water use shall be selected or the uses shall be calculated based on the square-footage or other factor for each area in which the use occurs. When the proposed use appears to fall into more than one group or use, the higher factor shall be used.

- c. If the application includes a Non-Residential use that is not identical to or similar to those uses shown on Table 2: Non-Residential Water Use Factors, the General Manager shall research the projected annual consumption of the use and shall recommend a value to the Board that corresponds to the Estimated Annual Water Use Capacity.
- d. The General Manager shall compare the pre-Project Estimated Annual Water Use Capacity against the Estimated Annual Water Use Capacity shown on the Construction Plans submitted with the Water Release Form and Water Permit application. Pre-Project Estimated Annual Water Use Capacity may be verified by inspection.
- e. The General Manager may reduce the Estimated Annual Water Use Capacity for the permanent installation and use of known and validated technology that results in a quantifiable reduction in Water Use Capacity above that anticipated with Best Management Practices.
- f. The General Manager shall reduce the Estimated Annual Water Use Capacity by any verified Water Use Credit or On-Site Water Credit applicable to the application as shown on the Water Release Form and Water Permit application and shall determine the Adjusted Water Use Capacity of the proposed project.
- g. Based upon the review conducted in 24-B-1-f, the General Manager shall determine if the Project will result in a positive, neutral or reduced Water Use Capacity on the

Site.

- (1) An increase in Capacity (Intensification of Use) shall cause the calculation and collection of a Capacity Fee prior to issuance of a Water Permit.
- (2) No Capacity Fee shall be assessed when there is no increase in Water Use Capacity.
- (3) A reduction in Water Use Capacity shall result in a Water Credit upon verification that the former use has been abandoned. This credit shall be established in conformance with Rule 25.5.

h. Non-Residential Projects at Public School District Sites acquired prior to 2020 shall be considered to have a zero Adjusted Water Use Capacity when the entire Public School District Site meets or exceeds Rule 143 Water Efficiency Standards for Existing Non-Residential Uses.

i. A Restaurant’s Water Use Capacity shall be determined by the maximum Interior Restaurant Seat count authorized by the Jurisdiction and District. Exterior Restaurant Seats may be maintained for al fresco dining without a requirement for a new or amended Water Permit provided the maximum number of Exterior Restaurant Seats does not exceed one-half the number of authorized Interior Restaurant Seats (the “standard exterior seat allowance”). Exterior Restaurant Seating not in compliance with this paragraph shall require a new or amended Water Permit.

2. Exterior Water Demand Shall be Calculated According to Rule 142.1

~~For all new Connections on Sites where rainwater storage is included as a source of water supply for an Irrigation System, the Estimated Total Water Use as determined by the landscaping plan shall be reduced by the available Rainwater Harvesting Capacity. Sites utilizing rainwater storage as a component in an Irrigation~~

~~System shall have landscape water use restricted by a recorded covenant on the title of the property or other deed restriction enforceable by the District. The recorded covenant or deed restriction shall provide notice to each subsequent owner that failure to maintain and utilize the rainwater storage component of the Irrigation System shall constitute an Intensification of Use which may result in collection of additional Capacity Fees and debits to a Jurisdiction's Allocation or Water Entitlement and/or other enforcement actions. Any modification to the Landscaping that results in an Intensification of Use shall require a Water Permit.~~

3. Calculating Adjusted Water Use Capacity

Water use calculations shall be rounded to the third decimal place.

C. WATER SUPPLY COST COMPONENT

The water supply cost component used as a monetary multiplier in each Capacity Fee calculation required by this rule shall be \$10,623.20. This water supply cost component shall be adjusted on July 1<sup>st</sup> of each year beginning in July, 1985, to include the annual increase or decrease of the April Consumer Price Index (CPI), all items, for San Francisco/Oakland, as promulgated by the U.S. Department of Labor Bureau of Statistics. The adjusted multiplier shall apply to each Water Permit application received on or after July 1<sup>st</sup> of each year. Table 3: Capacity Fee History shall be updated annually by Resolution of the Board to reflect the current year's Capacity Fee.

D. CALCULATION OF CAPACITY FEES

The Capacity Fee paid for a Water Permit shall be determined by multiplying the Adjusted Water Use Capacity by the current Capacity Fee. This charge shall be applied to each application for a Water Permit as follows:

1. Projects served by the California American Water Company System and Seaside Municipal Water ~~Company System~~ shall pay

100 percent of the final calculation.

2. All other Water Distribution Systems, including private Wells and other Water Distribution Systems, shall pay 18.67 percent of the final calculation.

**E. ADJUSTMENT OF CALCULATIONS WHERE SPECIAL CIRCUMSTANCES EXIST**

1. The General Manager may reduce (or increase) the Adjusted Water Use Capacity when Special Circumstances exist with respect to the anticipated water consumption resulting from that Permit. Special Circumstances shall be deemed to exist in the following circumstances:
  - a. After project completion and verification that Sub-potable Water or untreated Well water is the exclusive supply for all exterior uses, the General Manager may make a proportional adjustment for the final Adjusted Water Use Capacity and shall refund that portion of the Capacity Fee and the portion of water debited from an Allocation or Water Entitlement.
  - b. Projects that utilize water in conjunction with a manufacturing process.
  - c. Non-Residential projects owned by a Public entity.
2. The preliminary Estimated Annual Water Use Capacity Adjustment shall operate to exact a Capacity Fee as it relates to the increment of water which is projected to be available to and subject to use by the Applicant as a function of the Connection or the use of water. In the absence of a comparable water use factor on Table 2, the General Manager may make this adjustment based upon projected use figures supported by historical use or other relevant documentation. In the absence of Special Circumstances, calculation of the Estimated Annual Water Use Capacity shall be made by use of Non-Residential Water Use Factors shown on Table 2.

3. The General Manager shall be granted authority to factor Adjusted Water Use Capacity and Capacity Fees for Industrial and Public Projects based upon the actual average annual water use record following 60 months of occupancy and use without the necessity of a hearing before the Board of Directors. The process shall require payment of an estimated Capacity Fee and corresponding Allocation or Water Entitlement debit. The final Capacity Fee and corresponding Allocation or Water Entitlement debit shall be adjusted upon the actual annual water use record for that Connection.
4. For all situations where the General Manager finds Special Circumstances with Substantial Uncertainty exist regarding the Estimated Annual Water Use Capacity proposed by the permit Applicant, the Board shall consider approving a Water Permit upon payment of an estimated Capacity Fee and corresponding Allocation or Water Entitlement debit. The final Capacity Fee and corresponding Allocation or Water Entitlement debit shall be adjusted upon the actual average annual water use record for that Connection.
5. This Rule shall not apply where a single meter supplies more than one water User.
6. All Water Permits issued with a finding of Special Circumstances shall be subject to the following conditions:
  - a. A deed restriction listing the conditions of the Permit shall be recorded on the property prior to issuance of a Water Permit.
  - b. By written communication, the Jurisdiction shall authorize the District to issue a Water Permit based on a finding of Special Circumstances consistent with CEQA compliance for the approved Project.
  - c. The Jurisdiction shall acknowledge in writing to the District that annual average water use above the

Ordinance No. 201 – EXHIBIT C-1

preliminary Estimated Annual Water Use Capacity shall either result in a debit to its Allocation or shall require additional action to reduce or offset water use as authorized by the District Board.

- d. Approval of Special Circumstances with Substantial Uncertainty is valid for thirty-six (36) months. The project shall be completed within thirty six (36) months of District approval. One extension of time for twelve (12) months will be granted by the General Manager upon evidence of due diligence by the Applicant.
- e. The Project shall be exclusively equipped with all reasonable conservation measures as determined by the General Manager.
- f. The property owner shall agree to allow public access to water consumption records for the life of the Project. Access shall be authorized by recordation of the appropriate deed restriction.
- g. A Landscape Documentation Package, shall be included with the Water Permit application.
- h. Prior to issuance of a Water Permit, the Water Permit Applicant shall submit Capacity Fees and processing fees as outlined in Rule 24 and Rule 60.
- i. A water meter shall be installed to monitor exterior water use, apart from any interior use. District staff shall have access to the water meters and consumption reports upon reasonable request.
- j. The property owner or his agent shall annually complete and submit a Special Circumstances Review Form and applicable attachments to the District by February 1. The Special Circumstances Review Form shall require the property owner to provide information about the Project's annual water use and practices, copies of the past year's

water bills, information about the performance of any special appliances, and other information useful in reviewing Project-related water demand. The Special Circumstances Review Form shall be submitted each year during construction and for ten years following full occupancy after completion of the Project.

- k. Water use will be reviewed annually after occupancy. If actual water use exceeds the preliminary Water Use Capacity estimate during any annual review, the District will debit the Jurisdiction's Allocation for the difference. At the end of the monitoring period, if the average annual water use exceeds the preliminary Water Use Capacity estimate, the District will determine whether the Jurisdiction shall transfer some of its Allocation to the Project, or whether the Applicant shall pay the cost of District-approved water conservation projects within the District or on the Project Site to establish Water Use Credits to offset the increased increment of water needed by the Project.
- l. The Applicant and any successor in interest to the Water Permit shall enter into an indemnification agreement with the District, whereby the Applicant agrees to indemnify, defend and hold harmless the District from any and all legal and financial responsibility that may arise in connection with approval of the application, including but not limited to attorney's fees and costs that the District may incur.
7. The Board shall specify the appropriate number of years to monitor actual annual water use when it finds Special Circumstances with Substantial Uncertainty exist.
8. In all applications where evidence does not support the finding that Special Circumstances with Substantial Uncertainty exist regarding a Project's Water Use Capacity, it shall be presumed that the Non-Residential Water Use Factors as shown on Table 2 apply to the Permit.

9. Determinations of the General Manager pursuant to this Rule may be appealed to the Board.

**F. CAPACITY FEE REFUNDS**

1. The Capacity Fee paid for a Water Permit under these Rules and Regulations shall be a fee retained by the District in consideration of, and as reimbursement for the costs and expenses incurred by the District in planning for, acquiring, reserving, and maintaining capacity in the water distribution facilities existing or to be constructed within the District.
2. If a Project, as built, eliminates all or a portion of the Adjusted Water Use Capacity upon which the Water Permit was originally calculated, a refund of that portion of the Capacity Fee may occur.
3. Refunds of Capacity Fees shall occur if the Permit is abandoned prior to construction.
4. Refunds will only occur if a reduction in the Water Use Capacity is documented, or for abandoned Projects, if the Applicant has permanently removed the Water Meter and canceled the building permit.
5. Requests for refunds shall be in writing, and shall include the Water Permit number and the reason a refund is requested. Refunds are subject to fees under Rule 60.
6. All refunds shall be made to the then-current titleholder of the real property to which the Water Permit was issued.
7. Refunds requested for Capacity Fees paid for a Conditional Water Permit shall be processed under the following time lines:
  - a. Refunds of less than fifty thousand dollars (\$50,000) shall be processed within thirty (30) days;
  - b. Refunds between fifty thousand dollars (\$50,000) and one hundred thousand dollars (\$100,000) shall be processed

within forty-five (45) days;

- c. Refunds over one hundred thousand dollars (\$100,000) shall be processed within sixty (60) days.

**G. CAPACITY FEE FUND ACCOUNTING**

1. The District shall maintain separate accounts in its general fund for Capacity Fees received. Those separate fund accounts shall be maintained and designated as Capacity Fee accounts “A” and “B”. Account “A” shall receive 18.67% of all Capacity Fees collected. Account “B” shall receive 81.33% of all Capacity Fees collected. The proceeds of any connection surcharge shall be transferred to the District’s general fund, without restriction.
2. Capacity Fee funds shall be expended from Capacity Fee accounts “A” and “B” for the sole purpose of planning for, acquiring and/or reserving augmented water supply capacity for District water distribution facilities. It is recognized that such purposes include engineering, hydrologic, geologic, fishery, appraisal, financial, and property acquisition endeavors. Capacity Fee funds may further be used to acquire, maintain, and/or reserve capacity in existing water distribution facilities existing within the District.

**H. PERMIT FEE PAYMENT PLANS**

1. Except as may be required by operation of law, or as approved by the Board of Directors on a case-by-case basis pursuant to this Rule, the District shall not authorize a payment plan for fees and charges due for the issuance of a Water Permit. This means that no Permit will be issued by the District unless all required fees and charges have first been paid in full to the District. In any circumstance where a Permit has been issued on less than full payment of all fees and charges due from that Parcel, that Permit shall immediately be Suspended and thereafter Revoked. Revocation of a Water Permit shall cause removal or limitation of water service to that Connection.
2. Notwithstanding any provision of this Rule, the Board, on a case-

Ordinance No. 201 – EXHIBIT C-1

by-case basis, may authorize delayed payment for Projects which are solely undertaken by California Non-Profit Public Benefit Corporations provided each such plan shall ensure, by recorded deed restriction which includes the consent of each property owner, that all fees and charges due for the issuance of a Water Permit, together with deferred interest at the rate to be set by the Board, shall be paid in full in the event Project-ownership or occupancy is transferred to any entity other than a California Non-Profit Public Benefit Corporation. This provision is intended for use only in the presence of a substantial financial hardship to the Project proponent such that the development of the Project would be jeopardized by the present assessment of the full fees and charges due for the issuance of a Water Permit.

*Rule added by Ordinance No. 8 (1/14/81); amended by Ordinance No. 9 (2/14/83); Ordinance No. 17 (9/24/84); Ordinance No. 18 (11/12/84); Ordinance No. 20 (12/10/84); Ordinance No. 21 (3/11/85); Ordinance No. 26 (9/8/86); Ordinance No. 33 (3/14/88); Ordinance No. 34 (5/9/88); Ordinance No. 40 (4/10/89); Ordinance No. 60 (6/15/92); Ordinance No. 71 (12/20/93); Ordinance No. 76 (5/15/95); Ordinance No. 80 (11/20/95); Ordinance No. 98 (4/16/2001); Ordinance No. 111 (1/29/2004); Ordinance No. 114 (5/17/2004); Ordinance No. 125 (9/18/2006); Ordinance No. 145 (9/20/2010); Ordinance No. 157 (12/9/2013); Ordinance No. 162 (8/18/2014); Ordinance No. 164 (4/20/2015); Ordinance No. 170 (5/16/2016); Ordinance No. 176 (1/25/2017); Ordinance No. 177 (9/18/2017); Ordinance No. 182 (5/20/2019); Ordinance No. 185 (5/18/2020); Ordinance No. 189 (12/13/2021); Ordinance No. 193 (8/21/2023); Ordinance No. 198 (7/21/2025)*

**TABLE 1: RESIDENTIAL FIXTURE UNIT COUNT VALUES**

	Water Fixture Description	Fixture Unit Value
1	Washbasin ( <del>lavatory sink</del> ), each	1
2	Two Washbasins in the Master Bathroom	1
<del>3</del>	<del>Toilet, Ultra Low Flush (1.6 gallons per flush)</del>	<del>1.8</del>
<del>3</del>	Toilet, <del>High Efficiency (HET) (1.3 gallons maximum)</del>	1.3
<del>4</del>	Toilet, Ultra High Efficiency <u>w/Deed Restriction</u> (UHET) (0.8 gallon maximum)	0.8
<del>5</del>	Urinal, (Pint (0.125 gallon maximum))	0.1
<del>6</del>	Urinal, Zero Water Consumption	0
<del>7</del>	Bathtub, (may be Large <del>with Showerhead above</del> Bathtub) & Separate Shower <u>located</u> in the Master Bathroom	3
<del>8</del>	Bathtub, Large (may have Showerhead above)	3
<del>9</del>	Bathtub, Standard (may have Showerhead above) or Shower Stall (one Showerhead)	2
<del>10</del>	Shower, each additional fixture (including additional Showerheads, Body Spray Nozzles, etc.)	2
<del>11</del>	Shower System, Rain Bars, or Custom Shower (varies according to specifications)	<del>2</del> <u>Inquire</u>
<del>12</del>	Kitchen Sink (including optional adjacent <u>non-High Efficiency</u> Dishwasher) <sup>1</sup>	2
<del>13</del>	Kitchen Sink with adjacent High Efficiency Dishwasher ( <del>3.5 gallons maximum per cycle</del> )	1.5
<del>14</del>	<del>Dishwasher, each additional (including optional adjacent sink)</del>	<del>2</del>
<del>16</del>	Dishwasher, High Efficiency, each additional (including optional adjacent sink) <del>3.5 gallons maximum per cycle</del>	1.5
<del>17</del>	Laundry Sink/Utility Sink (debit/Capacity Fee applies to only one Laundry/Utility Sink per Residential Site)	2
<del>18</del>	Clothes Washer ( <u>existing non-High Efficiency Clothes Washer</u> )	2
<del>19</del>	Clothes Washer, Common Laundry Room (per Dwelling Unit with access to the CLR)	<del>2</del>
<del>20</del>	Clothes Washer, High Efficiency (HEW) ( <del>Water Factor of 4.3 or less</del> )	1
<del>21</del>	Bidet	<del>1</del>
<del>22</del>	Bar Sink	1
<del>23</del>	Entertainment Sink	1
<del>24</del>	Vegetable Sink	1
<del>25</del>	Swimming Pool (each 100 square-feet of pool surface area)	1
<del>26</del>	For all new Connections -- Refer to Rule 24-A-5, Exterior Residential Water Demand Calculations.	

<sup>1</sup>When a Kitchen Sink exists without the benefit of a Dishwasher, a Dishwasher may be added without a Water Permit.

Table Amended by Resolution 2009-11 (8/17/2009); Ordinance No. 140 (11/16/2009); Resolution 2009-13 (12/14/2009); Resolution 2010-15 (12/13/2010); Ordinance No. 151 (11/19/2012); Ordinance No. 156 (11/18/2013); Resolution 2016-04 (2/17/2016); Resolution 2021-14 (11/15/2021); Resolution 2022-22 (7/18/2022)

**TABLE 2: NON-RESIDENTIAL WATER USE FACTORS****Group I**      0.00007 AF/SF

Users in this category are low water uses where water is primarily used for employee hygiene and minimal janitorial uses. Examples are offices, warehouses, and low water use retail businesses.

**Group II**      0.0002 AF/SF

Users in this category prepare and/or sell food/beverages that are primarily provided to customers in/on disposable tableware. Food with high moisture content and liquid food may be served on reusable tableware. Glassware may be used to serve beverages. Users in this category are not full-service restaurants.

**Group III**

Assisted Living (more than 6 beds) <sup>2</sup>	0.085 AF/Bed
Bar (limited food/not a full-service restaurant)	0.0002 AF/SF <sup>1</sup>
Dog Grooming	0.0567 AF/Grooming Station
Child/Dependent Adult Day Care	0.0072 AF/Person
Dry Cleaner w/on-Site laundry	0.0002 AF/SF
Dormitory Beds @ Educational Institution <sup>3</sup>	0.02 AF/Bed
Laundromat	0.12 AF/Machine
Motel/Hotel/Bed & Breakfast	0.064 AF/Bedroom
Large Bathtub (Add to bedroom factor)	0.03 AF/Tub
Each additional Showerhead beyond one per stall (Add to bedroom factor)	0.02 AF/Showerhead
Nail and/or Beauty Salon	0.00007 AF/SF
Irrigated Areas/Landscaping	ETWU (See Rule 142.1)
Plant Nursery	0.00009 AF/SF Land Area
Public Toilet	0.058 AF/Toilet
Public Urinal	0.036 AF/Urinal
Zero Water Consumption Urinal	No Value
Recreational Vehicle Water Hookup	0.064 AF
Restaurant - Full Service (including associated Bar Seats)	0.02 AF/Interior Restaurant Seat
Exterior Restaurant Seats above the “Standard Exterior Seat Allowance” <sup>4</sup>	0.01 AF/Exterior Restaurant Seat
Exterior Restaurant Seats within the “Standard Exterior Seat Allowance”	No Value
Restaurant (24-Hour and Fast Food)	0.038 AF/Interior Restaurant Seat
School or Church	0.00007 AF/SF
Self-Storage	0.0002 AF/100 SF
Skilled Nursing/Alzheimer’s Care	0.12 AF/Bed
Spa	0.05 AF/Spa
Swimming Pool	0.02 AF/100 SF of Surface Area
Theater	0.0012 AF/Seat

**Group IV - MODIFIED NON-RESIDENTIAL USES**

Users in this category have a reduced water Capacity compared to ~~the~~ Groups I-III and have received a Water Use Credit for modifications (Rule 25.5-F-4-d) or the permanent installation of validated technology that results in a quantifiable reduction in Water Use Capacity. Please inquire for specific property information.

**Group V - INDUSTRIAL USES**

Users in this category use water during the production process for either creating their products or cooling equipment. Industrial water may also be used for fabricating, processing, washing, diluting, cooling, or transporting a product.

<sup>1</sup> ABC Licensed Premises Diagram area shall be used for calculation of square-footage.

Ordinance No. 201 – EXHIBIT C-1

- <sup>2</sup> Assisted living Dwelling Units shall be permitted as Residential uses per Table 1, Residential Fixture Unit Count Values.
- <sup>3</sup> Dormitory water use at educational facilities is a Residential use, although the factor is shown on Table 2.
- <sup>4</sup> See Rule 24-B-1 and Rule 25.5 for information about the “Standard Exterior Seat Allowance”.

Ordinance No. 201 – EXHIBIT C-1

This includes industries involved in the production of chemicals and food products, as well as certain hospital uses. The Water Use Capacity shall be determined after reviewing the project’s construction and business plans, along with estimated water r use, and may be considered under Rule 24 Special Circumstances.

Notes: Any Non-Residential water use which cannot be characterized by one of the use categories set forth in Table 2 shall be designated as “other” and assigned a factor which has a positive correlation to the anticipated Water use Capacity for that Site. When a Non-Residential project proposes two or more of the uses set forth in Table 2, each proposed use shall be subject to a separate calculation. When the proposed use appears to fall into more than one group or use, the higher factor shall be used.

*Table amended by Ordinance No. 125 (9/29/2006); Resolution 2008-01 (1/24/2008); Resolution 2010-15 (12/13/2010); Resolution 2013-16 (9/16/2013); Resolution 2014-04 (3/17/2014); Resolution 2014-12 (7/21/2014); Ordinance No. 164 (4/20/2015); Resolution 2016-06 (3/21/2016); Ordinance No. 176 (1/25/2017); Resolution 2017-14 (7/21/2017); Resolution 2017-16 (12/11/2017); Resolution 2018-21 (11/19/2018); Ordinance No. 182 (5/20/2019); Resolution 2019-10 (7/15/2019); Resolution 2019-15 (9/16/2019); Resolution 2021-15 (11/15/2021); Resolution 2022-27 (9/19/2022); Resolution 2022-33 (11/14/2022); Resolution 2024-14 (12/16/2024)*

**RULE 25.5 - WATER USE CREDITS AND WATER CREDITS**

- A. Except where a Water Permit has been abandoned, expired, Revoked, Suspended, or canceled under these Rules, a Person may apply to receive a documented Water Use Credit for the permanent abandonment of some or all prior water use on that Site by one of the methods set forth in this Rule. Water Use Credits pursuant to this Rule shall be documented by written correspondence between the District and the property owner and shall remain valid unless expired or prohibited. Documented Water Use Credits shall not be recorded by notice on a property title, except as specified in Rule 25.5-H. Except as allowed by Rule 28, Water Use Credits shall not be transferable to any other Site. When applicable, a Water Use Credit shall reference the factor shown on Rule 24 Table 1 or Table 2 as the basis for the credit. A documented Water Use Credit shall not be affected by any future change to that factor.
- B. Water savings resulting from mandatory compliance with Regulation XIV, Water Conservation, shall not result in a Water Use Credit. Water Use Credits for required retrofits shall expire upon the date mandated by any District, State, or Federal law. Such savings shall be set aside as permanent water conservation savings.
- C. A Water Use Credit may be applied to and shall allow future water use on that Site at any time within a period of ten years following the Permanent Abandonment of Use documented by a demolition permit or other credible evidence of removal. In the absence of documentation, the date of the last MPWMD inspection documenting the existence of the fixture shall be used as the date of Permanent Abandonment. A one-year extension of time may be granted by the General Manager for justifiable cause. Subsequently, any remaining unused Water Use Credit shall expire.
- D. A Water Use Credit at a Department of Defense Site shall expire after twenty (20) years.
- E. The following types of Permanent Abandonment of Capacity shall qualify for a Water Use Credit under this Rule:
  - 1. Demolition of a building or use that has been recognized by the District as being a lawful water use;
  - 2. Demolition or permanent removal of Exterior Restaurant Seats specifically permitted by debiting Water Use Capacity from an Allocation or Entitlement, Water Credit or Water Use Credit;
  - 3. Permanent disconnection of a lawful water use from a Water Distribution System;
  - 4. Residential removal of District-documented and lawful water fixtures listed in Rule 24, Table 1: Residential Fixture Unit Count Values and the associated

plumbing for those fixtures so there is no evidence of the removed water fixture;

5. Permanent installation of water fixtures or appliances that are designed to achieve greater water efficiency than mandated in District Rule 142 and Rule 143.
  6. Removal of established Lawn on sports fields at a Public School District Site that predates the District's permit requirements or that was permitted with a debit to an Allocation.
- F. To determine a Water Use Credit, the General Manager shall:
1. Verify that the reduction is one which is permanent (i.e. Permanent Abandonment of Use) and the date that Permanent Abandonment of Use occurred.
  2. Quantify the Water Use Capacity of the Site using the water use factors from Rule 24, Tables 1 and/or 2. If no factor is available on Table 2 or if the use is substantially different than any of the uses shown on Table 2, the General Manager may make an estimate based upon water records showing the average use over a minimum of eight (8) years.
  3. Grant a Residential Water Use Credit for the permanent removal of water using fixtures if the fixture was properly and lawfully installed.
    - a. Water Use Credits for multiple Showerheads shall be limited to a maximum of four (4) fixture units per Separate Stall Shower or Bathtub unless permitted using a Water Entitlement documented on an Assignment Document. A Shower System shall be considered a component of a Separate Stall Shower or Bathtub for purposes of this Rule.
    - b. Credit shall not be given for any reduction which occurs as the result of the removal of landscaping installed without a Water Permit or installed pursuant to a Water Permit for New Construction. An exception to this limitation shall be made for Non-Residential landscaping that was specifically identified, quantified, and permitted by the District. Any Water Use Credit granted under this subdivision shall be determined using the Estimated Applied Water for the increment of landscaping being permanently abandoned.
    - c. A 0.5 fixture unit credit for non-HET toilets that was available on Table 4 prior to adoption of Ordinance No. 201 shall continue to be allowed until January 1, 2027.
  4. Quantify the water use reduction (the abandoned Capacity) using the following

methods:

- a. Residential Water Use Credit for demolitions, permanent disconnection of water service, and permanent removal of water fixtures shall be determined using the current Fixture Unit Values from Rule 24, Table 1: Residential Fixture Unit Count Values.
- b. Residential Water Use Credits shall only be granted for installation of the ultra-low consumption appliances listed in Table 4: High Efficiency Appliance Credits. This table may be amended by Resolution of the Board of Directors.

**TABLE 4: HIGH EFFICIENCY APPLIANCE CREDITS**

Appliance	Description	Water Use Credit in Fixture Units (FU)
High Efficiency Toilet	A toilet designed to have an average maximum flush of 1.28 gallons and that is labeled by the U.S. Environmental Protection Agency’s WaterSense program. <b><i>This credit is only available until January 1, 2027, at which time it shall be deleted from Table 4.</i></b>	0.5 FU
Ultra High Efficiency Toilet	A toilet designed and manufactured to flush with a maximum of 0.8 gallon of water and that is labeled by the U.S. Environmental Protection Agency’s WaterSense program.	1 FU
Instant-Access Hot Water System	A recirculating hot water system or other device(s) that results in hot water contact at every point of access throughout the Dwelling Unit within ten (10) seconds. Instant-Access Hot Water Systems shall be installed in each auxiliary building plumbed with hot water on a Single-Family Residential Site. There shall be no Water Use Credit for installation of Instant-Access Hot Water Systems for New Structures.	0.5 FU
High Efficiency Dishwasher	See Rule 11. A High Efficiency Dishwasher shall have Energy Star certification.	0.5 FU
High Efficiency Clothes Washer	See Rule 11. A High Efficiency Clothes Washer shall have Energy Star certification.	1 FU

*Table 4 amended by Resolution 2008-03 (2/28/2008); Resolution 2009-10 (7/20/2009); Ordinance No. 140 (11/16/2009); Resolution 2009-14 (12/14/2009); Ordinance No. 151 (11/19/2012); Ordinance No. 156 (11/18/2013); Resolution 2019-09 (7/15/2019); Resolution 2020-01 (1/23/2020); Resolution 2022-08 (3/21/2022)*

- c. Non-Residential Water Use Credit for demolition and for permanent disconnection of water service shall be determined using current Table 2: Non-Residential Water Use Factors.
- d. Non-Residential Water Use Credit for retrofits with Ultra-Low

Consumption Technology shall be documented under the following circumstances and shall be granted for the increment of water savings beyond the water savings anticipated from the installation of Low Water Use Plumbing Fixtures and other District mandates:

- i. Application for Water Use Credit Post-Retrofit. The Applicant shall submit clear and convincing evidence of water savings. This shall be accomplished by providing the District with a minimum of eight (8) years of documented pre-retrofit water history for the use from the Water Distribution System (i.e. bills or correspondence from the Water Distribution System Operator) along with two or more years of post-retrofit water history for the use (i.e. bills or correspondence from the Water Distribution System Operator). When eight (8) years of water history for a use is unavailable or when less than two years of post-retrofit water history is available, the Applicant shall obtain an independent third party's review of the projected water savings, subject to review and acceptance by the District. The District shall verify the installation of Ultra-Low Consumption Technology by conducting an inspection.
- ii. Application for Water Use Credit Pre-Retrofit. The Applicant shall submit clear and convincing evidence of water savings. This shall be accomplished by providing the District with a minimum of eight (8) years of documented pre-retrofit water history for the use from the Water Distribution System (i.e. bills or correspondence from the Water Distribution System Operator) to establish a baseline consumption level and documentation of the dates of previous retrofits done pursuant to Regulation XIV. When eight (8) years of pre-retrofit water history for a use is unavailable, the factor from Rule 24, Table 2: Non-Residential Water Use Factors shall be used as the historic use baseline. To substantiate projected water savings resulting from the proposed retrofit(s), the Applicant shall submit additional documentation to support the estimated water savings. When District staff is not able to verify the estimated water savings, the Applicant may be required to reimburse the District for costs to obtain an independent third party's review of the projected water savings. The District shall verify the installation of Ultra-Low Consumption Technology by conducting an inspection.
- iii. When a Non-Residential Water Use Credit is requested for a Site that cannot demonstrate that the Site was equipped with Low Water Use Plumbing Fixtures for the full period of the water records used, there shall be a 15 percent reduction of the final calculated Water Use



2. The District shall not require an additional increment of water for exterior water usage on a vacant lot or lot containing an uninhabitable structure when the owner of the Site has submitted clear and convincing evidence of landscaping and irrigation that was installed by and has been consistently maintained since March 11, 1985. Examples of acceptable evidence are dated photographs, official documents, permits or correspondence of the Jurisdiction, receipts or invoices for gardening services or purchases related to landscaping and maintaining landscaping on the Site. Credit shall only apply to the portion of the Site for which evidence has been provided.
  3. A Water Use Credit for disconnection from a Potable Water Distribution System shall be granted by the General Manager only upon the removal of the Connection and written confirmation of such removal by the Water Distribution System Owner or Operator.
  4. Water Use Credits shall remain on the Department of Defense Site where the credit originated unless there is agreement between the parties to allow use of a Water use Credit at a different Department of Defense Site.
- J. An on-Site Water Credit resulting from the non-permanent removal of a lawful use that occurred on or after March 1, 1985, may be applied to, and shall allow, the future reuse of that increment of water on that Site. A Water Permit for reinstating the former use shall be required and allowed.

**RULE 25.5 - WATER USE CREDITS AND WATER CREDITS**

- A. Except where a Water Permit has been abandoned, expired, Revoked, Suspended, or canceled under these Rules, a Person may apply to receive a documented Water Use Credit for the permanent abandonment of some or all prior water use on that Site by one of the methods set forth in this Rule. Water Use Credits pursuant to this Rule shall be documented by written correspondence between the District and the property owner; and shall remain valid unless expired or prohibited ~~by this Rule~~. Documented Water Use Credits shall not be ~~documented-recorded~~ by notice on a property title, except as specified in Rule 25.5-H. Except as allowed by Rule 28, Water Use Credits shall not be transferable to any other Site. When applicable, a Water Use Credit shall reference the factor shown on Rule 24 Table 1 or Table 2 as the basis for the credit. A documented Water Use Credit shall not be affected by any future change to that factor.
  
- B. Water savings resulting from mandatory compliance with Regulation XIV, Water Conservation, shall not result in a Water Use Credit, ~~with the exception of Table 4 retrofits.~~ Water Use Credits for required retrofits shall expire upon the date mandated by any District, State, or Federal law. Such savings shall be set aside as permanent water conservation savings.
  
- C. A Water Use Credit may be applied to and shall allow future water use on that Site at any time within a period of ten years following the Permanent Abandonment of Use documented by a demolition permit or other credible evidence of removal. In the absence of documentation, the date of the last MPWMD inspection documenting the existence of the fixture shall be used as the date of Permanent Abandonment. A one-year extension of time may be granted by the General Manager for justifiable cause. Subsequently, any remaining unused Water Use Credit shall expire.
  
- ~~D. A Water Use Credit on a Redevelopment Project that was documented prior to February 1, 2012, may, in addition to the time limits and in the manner set forth above, have its expiration date extended for two (2) additional periods of 60 months each, to afford any such Redevelopment Project a maximum period of two hundred forty (240) months to use that credit.~~
  
- E.D. A Water Use Credit at a Department of Defense Site shall expire after twenty (20) years.
  
- F.E. The following types of Permanent Abandonment of Capacity shall qualify for a Water Use Credit under this Rule:
  - 1. Demolition of a building or use that has been recognized by the District as being a lawful water use;
  - 2. Demolition or permanent removal of Exterior Restaurant Seats specifically permitted by debiting Water Use Capacity from an Allocation or; Entitlement,

Water Credit or Water Use Credit;

3. Permanent disconnection of a lawful water use from a Water Distribution System;
4. Residential removal of District-documented and lawful water fixtures listed in Rule 24, Table 1: Residential Fixture Unit Count Values and the associated plumbing for those fixtures so there is no evidence of the removed water fixture;
5. Permanent installation of water fixtures or appliances that are designed to achieve greater water efficiency than mandated in District Rule 142 and Rule 143.
6. Removal of established Lawn on sports fields at a Public School District Site that pre-dates the District's permit requirements or that was permitted with a debit to an Allocation.

G.F. To determine a Water Use Credit, the General Manager shall:

1. Verify that the reduction is one which is permanent (i.e. Permanent Abandonment of Use) and the date that Permanent Abandonment of Use occurred.
2. Quantify the Water Use Capacity of the Site using the water use factors from Rule 24, Tables 1 and/or 2. If no factor is available on Table 2 or if the use is substantially different than any of the uses shown on Table 2, the General Manager may make an estimate based upon water records showing the average use over a minimum of eight (8) years.
3. Grant a Residential Water Use Credit for the permanent removal of water using fixtures if the fixture was properly and lawfully installed. ~~Credit for fixtures listed in Rule 24-A-2 shall only receive a Water Use Credit upon evidence of a Water Permit showing a debit to a Jurisdiction's Allocation and payment of related Capacity Fees.~~
  - a. Water Use Credits for multiple Showerheads shall be limited to a maximum of four (4) fixture units per Separate Stall Shower or Bathtub unless permitted using a Water Entitlement documented on an Assignment Document. A Shower System shall be considered a component of a Separate Stall Shower or Bathtub for purposes of this Rule.
  - b. Credit shall not be given for any reduction which occurs as the result of the removal of landscaping installed without a Water Permit or installed pursuant to a Water Permit for New Construction. An exception to this

limitation shall be made for Non-Residential landscaping that was specifically identified, quantified, and permitted by the District. Any Water Use Credit granted under this subdivision shall be determined using the Estimated Applied Water for the increment of landscaping being permanently abandoned.

b.c. A 0.5 fixture unit credit for non-HET toilets that was available on Table 4 prior to adoption of Ordinance No. 201 shall continue to be allowed until January 1, 2027.

4. Quantify the water use reduction (the abandoned Capacity) using the following methods:
  - a. Residential Water Use Credit for demolitions, permanent disconnection of water service, and permanent removal of water fixtures shall be determined using the current Fixture Unit Values from Rule 24, Table 1: Residential Fixture Unit Count Values.
  - b. Residential Water Use Credits shall only be granted for installation of the ultra-low consumption appliances listed in Table 4: High Efficiency Appliance Credits. This table may be amended by Resolution of the Board of Directors.

**TABLE 4: HIGH EFFICIENCY APPLIANCE CREDITS**

Appliance	Description	Water Use Credit in Fixture Units (FU)
High Efficiency Toilets	A toilet designed to have an average maximum flush of 1.28 gallons and that is labeled by the U.S. Environmental Protection Agency’s WaterSense program. <u><i>This credit is only available until January 1, 2027, at which time it shall be deleted from Table 4.</i></u>	0.5 FU
Ultra High Efficiency Toilet	A toilet designed and manufactured to flush with a maximum of 0.8 gallon of water and that is labeled by the U.S. Environmental Protection Agency’s WaterSense program.	1 FU
Instant-Access Hot Water System	A recirculating hot water system or other device(s) that results in hot water contact at every point of access throughout the Dwelling Unit within ten (10) seconds. Instant-Access Hot Water Systems shall be installed in each auxiliary building plumbed with hot water on a Single--Family Residential Site. There shall be no Water Use Credit for installation of Instant-Access Hot Water Systems for New Structures.	0.5 FU
High Efficiency Dishwasher	<del>A dishwasher designed to use a maximum of 3.5 gallons per cycle.</del> <u>See Rule 11.</u> A High Efficiency Dishwasher shall have Energy Star certification.	0.5 FU
High Efficiency Clothes Washer	<del>A Clothes Washer with a Water Factor of 4.3 or less that has Energy Star certification.</del> <u>See Rule 11. A High Efficiency Clothes Washer shall have Energy Star certification.</u>	1 FU

Table 4 amended by Resolution 2008-03 (2/28/2008); Resolution 2009-10 (7/20/2009); Ordinance No. 140 (11/16/2009); Resolution 2009-14 (12/14/2009); Ordinance No. 151 (11/19/2012); Ordinance No. 156 (11/18/2013); Resolution 2019-09 (7/15/2019); Resolution 2020-01 (1/23/2020); Resolution 2022-08 (3/21/2022)

- c. Non-Residential Water Use Credit for demolition and for permanent disconnection of water service shall be determined using current Table 2: Non-Residential Water Use Factors.

- d. Non-Residential Water Use Credit for retrofits with Ultra-Low Consumption Technology shall be documented under the following circumstances and shall be granted for the increment of water savings beyond the water savings anticipated from the installation of Low Water Use Plumbing Fixtures and other District mandates:
- i. Application for Water Use Credit Post-Retrofit. The Applicant shall submit clear and convincing evidence of water savings. This shall be accomplished by providing the District with a minimum of eight (8) years of documented pre-retrofit water history for the use from the Water Distribution System (i.e. bills or correspondence from the Water Distribution System Operator) along with two or more years of post-retrofit water history for the use (i.e. bills or correspondence from the Water Distribution System Operator). When eight (8) years of water history for a use is unavailable or when less than two years of post-retrofit water history is available, the Applicant shall obtain an independent third party's review of the projected water savings, subject to review and acceptance by the District. ~~The District shall maintain a list of Persons qualified to prepare a third party water conservation analysis.~~ The District shall verify the installation of Ultra-Low Consumption Technology by conducting an inspection.
  - ii. Application for Water Use Credit Pre-Retrofit. The Applicant shall submit clear and convincing evidence of water savings. This shall be accomplished by providing the District with a minimum of eight (8) years of documented pre-retrofit water history for the use from the Water Distribution System (i.e. bills or correspondence from the Water Distribution System Operator) to establish a baseline consumption level and documentation of the dates of previous retrofits done pursuant to Regulation XIV. When eight (8) years of pre-retrofit water history for a use is unavailable, the factor from Rule 24, Table 2: Non-Residential Water Use Factors shall be used as the historic use baseline. To substantiate projected water savings resulting from the proposed retrofit(s), the Applicant shall submit additional documentation to support the estimated water savings. When District staff is not able to verify the estimated water savings, the Applicant may be required to reimburse the District for costs to obtain an independent third party's review of the projected water savings. The District shall verify the installation of Ultra-Low Consumption Technology by conducting an inspection.
  - iii. When a Non-Residential Water Use Credit is requested for a Site that cannot demonstrate that the Site was equipped with Low Water Use

Plumbing Fixtures for the full period of the water records used, there shall be a 15 percent reduction of the final calculated Water Use Credit.

- iv. In the event that the General Manager disagrees with the amount of water savings resulting from the installation of Ultra-Low Consumption Technology, the complete Water Use Credit application shall be presented to the Board for further consideration.
5. Written notification of the quantity and expiration of a Water Use Credit shall be provided to the Applicant and to the property owner.
6. No Water Use Credit or reduced Water Use Capacity shall be granted for the removal of a Non-Residential associated use to an out of District location or to another Water Distribution System. For example: No reduction in Water Use Capacity or Water Use Credit shall be granted for laundering hotel textiles at another location.

H.G. A valid Water Use Credit may provide the basis for the General Manager to issue a Water Permit for new, modified, or Intensified Water Use on that Site.

1. There shall be no Capacity Fee assessed for any Water Use Credit. Capacity Fees, however, shall apply to the Capacity for water use which exceeds the Water Use Credit, or for any Expansion of Use following the expiration of the Water Use Credit.
- ~~2. Use of a documented Residential Water Use Credit that originates from Table 4, High Efficiency Appliance Credits, or that originates from a Non-Residential Water Use Credit resulting from installation of Ultra-Low Consumption Technology to offset an Expansion of Use shall cause recordation of a Notice and Deed Restriction Regarding Limitation on Use of Water on a Property. There shall be an exception to this requirement when the credit originates from installation of High Efficiency Toilets.~~
- 3.2. No Capacity Fee refund shall accrue by reason of a water use reduction or abandonment of Capacity, whether or not reflected by a Water Use Credit.
- 4.3. Issuance of a Water Use Credit shall not result in any change to a Jurisdiction's Allocation or to any Water Entitlement. Use of any Water Use Credit shall similarly not result in a change to a Jurisdiction's Allocation or any Water Entitlement.

~~5. When a Water Use Credit or On-Site Credit applied to a Water Permit originates from a Qualifying Device for which a Rebate has been issued, the District shall collect the amount of the Rebate as a Water Permit fee surcharge, in addition to any other fee that may apply to that Water Permit. This fee surcharge shall be deposited in the Rebate Account.~~

~~I.H.~~ When a Water Use Credit on a Site results from demolition of a building that straddled a lot line, the property owner shall specify in writing the quantity of ~~w~~Water Use Credit assigned to each of the lots formerly occupied by that building. ~~When a Site with a valid documented Water Use Credit is assigned new Assessor's Parcel Numbers and the original Assessor's Parcel Number becomes inactive, the Site owner shall specify in writing the quantity of Water Use Credit assigned to each of the Parcels.~~ Such designation shall ~~may~~ be recorded upon the title of each Parcel and shall specify the date the credit expires.

~~J.I.~~ A Water Use Credit shall enable reuse of saved water on the Site.

1. Water Use Credits may be moved between one or more structures on the same Site or may be used to construct new uses on the same Site.
2. The District shall not require an additional increment of water for exterior water usage on a ~~Vacant~~ vacant Lot/lot or lot containing an uninhabitable structure when the owner of the Site has submitted clear and convincing evidence of landscaping and irrigation that was installed by and has been consistently maintained since March 11, 1985. Examples of acceptable evidence are dated photographs, official documents, permits or correspondence of the Jurisdiction, receipts or invoices for gardening services or purchases related to landscaping and maintaining landscaping on the Site. Credit shall only apply to the portion of the Site for which evidence has been provided.
3. A Water Use Credit for disconnection from a Potable Water Distribution System shall be granted by the General Manager only upon the removal of the Connection and written confirmation of such removal by the Water Distribution System Owner or Operator.
4. Water Use Credits shall remain on the Department of Defense Site where the credit originated unless there is agreement between the parties to allow use of a Water use Credit at a different Department of Defense Site.

~~K.J.~~ An on-Site Water Credit resulting from the non-permanent removal of a lawful use that occurred on or after March 1, 1985, may be applied to, and shall allow, the future reuse of that increment of water on that Site. A Water Permit for reinstating the former use shall be required and allowed.

**RULE 33 - JURISDICTIONAL AND RESERVE WATER ALLOCATIONS****A. JURISDICTIONAL ALLOCATIONS**

Permits to authorize new or Intensified Water Use from the California-American Water Company shall be issued by the District for use in any Jurisdiction pursuant to the application and approval process set forth in District Regulation II. The total quantity of new or Intensified Water Use in each respective Jurisdiction shall not exceed the amounts set forth in Table 5, MPWMD Cal-Am Water Allocations by Jurisdiction:

Table 5  
MPWMD Cal-Am Water Allocations by Jurisdiction March  
1, 2025

Jurisdiction	Proposed PWM Expansion Allocation	Existing Allocation as of 3/1/25	Total Jurisdictional Allocation
Carmel	14 AF	2.479 AF	16.479 AF
Del Rey Oaks	6 AF	0 AF	6.000 AF
Monterey	141 AF	0.543 AF	141.543 AF
Pacific Grove	32 AF	0.024 AF	32.024 AF
Sand City	14 AF	0 AF	14.000 AF
Seaside	21 AF	29.157 AF	50.157 AF
Unincorporated Monterey County	72 AF	10.930 AF	82.930 AF
Monterey Peninsula Airport District	44 AF	5.197 AF	49.197 AF
Department of Defense Sites	27 AF	0 AF	27.000 AF
District Reserve	2,086 AF	8.044 AF	2,094.044 AF

*Rule added by Ordinance No. 70 (6/21/93); amended by Ordinance No. 73 (2/23/95); Ordinance No. 84 (8/16/96); Ordinance No. 86 (12/12/96); Ordinance No. 197 (1/27/2025)*

**B. DISTRICT RESERVE ALLOCATION**

The District Reserve Allocation shall refer to a quantity of water available for use at the District's discretion. The District Reserve Allocation can be augmented by dedications of water from a Water Entitlement, Water Use Credit, Water Credit, or a new Source of Supply.

Projects subject to approval by the Division of the State Architect (i.e., K-12 public schools, Community Colleges, State essential services buildings, State-funded facilities such as California courts and state-owned buildings), as well as employee housing undertaken on Public School District Sites, shall qualify for District Reserve water. A request for water from the Allocation shall be made by submitting the

request with building plans and an analysis of water needed. A request for more than five Acre-Feet for a Site shall be considered by the Board of Directors.

*Rule added by Ordinance No. 70 (6/21/93); deleted by Ordinance No. 73 (2/23/95); amended by Ordinance No. 182 (5/20/2019)*

**C. WATER WEST RESERVE**

A special reserve has been established separate from the Monterey County Allocation for new and intensified water use approved by Monterey County which occurs within the boundaries of the former Water West Water Distribution System in Carmel Valley. The total quantity of water available pursuant to this paragraph shall not exceed 12.76 acre feet (sales).

*See Ordinance No. 70, Section 4-C (6/21/93); confirmed in Currier v. MPWMD (Case No. M59299); amended by Ordinance No. 197 (1/27/2025)*

**D. COST OF ALLOCATION**

There shall be no sale of water from an Allocation by a Jurisdiction. Water permitted from an Allocation shall, however, be subject to the Capacity Fee collected by the District.

*Rule added by Ordinance No. 84 (8/16/96); amended by Ordinance No. 197 (1.27/2025)*

**E. RELEASE OF ALLOCATION**

A Jurisdiction shall release water from an Allocation by use of the Water Release Form approved by the District. A Water Release Form shall expire after five years or more frequently as determined by the Jurisdiction. Jurisdictions are encourage to maintain records of the release of water and expiration.

**F. DETERMINATION OF ALLOCATIONS**

1. The District began the process of determining Jurisdictional Allocations in 2023, culminating in a meeting on September 12, 2024, to provide a detailed overview of the District’s methodology and process for distribution of the new supplies. The process was summarized for Jurisdictions’ boards and councils at subsequent public meetings.

The methodology used by the District to determine the Allocations of water to be available in 2025 included, but was not limited to:

- a. The recent 5-year average water demand by Jurisdiction.

- b. Total water supplies, inclusive of the Pure Water Monterey Expansion, were calculated and the existing recent 5-year average total demand was subtracted. Of the difference, 1,000 AF was identified to be held in the District Reserve as a “factor of safety.” The remainder was considered “available” for allocation.
  - c. The 25-year growth rate in water demand by Jurisdiction was forecasted based upon the Association of Monterey Bay Area Governments (AMBAG) Regional Growth Forecast, utilizing population growth for future Residential water use and job growth for future Non-Residential water use.
  - d. The alternate methodology of a survey was used for determining future demands for the Monterey Peninsula Airport District and the Army, Navy, and Coast Guard (Department of Defense Sites).
  - e. Adjustments, if any, were made for the 6th Cycle Regional Housing Needs Allocation (RHNA).
  - f. It was determined that the 25-year total increase in demand was less than the new supplies available for allocation. Based on each Jurisdiction’s forecasted 25-year demand, a portion of its future demand has been Allocated from the new available supply (Pure Water Monterey Expansion) and the remainder is retained in the District Reserve for future allocation.
  - g. Existing unused Jurisdictional Allocations of the effective date of this Ordinance were left intact.
2. The Board of Directors shall examine the Allocations at least every four years following the AMBAG Regional Growth Forecast. Allocations may be reviewed more frequently at the discretion of the Board.

**G. BISHOP AND RYAN RANCH SUB-UNITS**

Henceforth, water Connections in the Bishop and Ryan Ranch subsystems of Cal-Am shall be tracked and accounted for using the same methodology as the Main California American Water System described in Regulation II, including the requirement for authorization of water from the Jurisdiction’s Allocation as described in Rule 23 and calculated in Rule 24.

*Rule added by Ordinance No. 197 (1/27/2025)*

**RULE 33 - JURISDICTIONAL AND RESERVE WATER ALLOCATIONS**

**A. JURISDICTIONAL ALLOCATIONS**

Permits to authorize new or Intensified Water Use from the California-American Water Company shall be issued by the District for use in any Jurisdiction pursuant to the application and approval process set forth in District Regulation II. The total quantity of new or Intensified Water Use in each respective Jurisdiction shall not exceed the amounts set forth in Table 5, MPWMD Cal-Am Water Allocations by Jurisdiction:

Table 5  
MPWMD Cal-Am Water Allocations by Jurisdiction March 1, 2025

Jurisdiction	Proposed PWM Expansion Allocation	Existing Allocation as of 3/1/25	Total Jurisdictional Allocation
Carmel	14 AF	2.479 AF	16.479 AF
Del Rey Oaks	6 AF	0 AF	6.000 AF
Monterey	141 AF	0.543 AF	141.543 AF
Pacific Grove	32 AF	0.024 AF	32.024 AF
Sand City	14 AF	0 AF	14.000 AF
Seaside	21 AF	29.157 AF	50.157 AF
Unincorporated Monterey County	72 AF	10.930 AF	82.930 AF
Monterey Peninsula Airport District	44 AF	5.197 AF	49.197 AF
Department of Defense Sites	27 AF	0 AF	27.000 AF
District Reserve	2,086 AF	8.044 AF	2,094.044 AF

*Rule added by Ordinance No. 70 (6/21/93); amended by Ordinance No. 73 (2/23/95); Ordinance No. 84 (8/16/96); Ordinance No. 86 (12/12/96); Ordinance No. 197 (1/27/2025)*

**B. DISTRICT RESERVE ALLOCATION**

The District Reserve Allocation shall refer to a quantity of water available for use at the District’s discretion. The District Reserve Allocation can be augmented by dedications of water from a Water Entitlement, Water Use Credit, Water Credit, or a new Source of Supply.

Projects subject to approval by the Division of the State Architect (i.e., K-12 public schools, Community Colleges, State essential services buildings, State-funded facilities such as California courts and state-owned buildings), as well as employee

housing undertaken on Public School District Sites, shall qualify for District Reserve water. A request for water from the Allocation shall be made by submitting the request with building plans and an analysis of water needed. A request for more than five Acre-Feet for a Site shall be considered by the Board of Directors.

*Rule added by Ordinance No. 70 (6/21/93); deleted by Ordinance No. 73 (2/23/95); amended by Ordinance No. 182 (5/20/2019)*

**C. WATER WEST RESERVE**

A special reserve has been established separate from the Monterey County Allocation for new and intensified water use approved by Monterey County which occurs within the boundaries of the former Water West Water Distribution System in Carmel Valley. The total quantity of water available pursuant to this paragraph shall not exceed 12.76 acre feet (sales).

*See Ordinance No. 70, Section 4-C (6/21/93); confirmed in Currier v. MPWMD (Case No. M59299); amended by Ordinance No. 197 (1/27/2025)*

**D. COST OF ALLOCATION**

There shall be no sale of water from an Allocation by a Jurisdiction. Water permitted from an Allocation shall, however, be subject to the Capacity Fee collected by the District.

*Rule added by Ordinance No. 84 (8/16/96); amended by Ordinance No. 197 (1.27/2025)*

**E. RELEASE OF ALLOCATION**

A Jurisdiction shall release water from an Allocation by use of the Water Release Form approved by the District. A Water Release Form shall expire after five years or more frequently as determined by the Jurisdiction. Jurisdictions are encourage to maintain records of the release of water and expiration.

**F. DETERMINATION OF ALLOCATIONS**

1. The District began the process of determining Jurisdictional Allocations in 2023, culminating in a meeting on September 12, 2024, to provide a detailed overview of the District’s methodology and process for distribution of the new supplies. The process was summarized for Jurisdictions’ boards and councils at subsequent public meetings.

The methodology used by the District to determine the Allocations of water to be available in 2025 included, but was not limited to:

- a. The recent 5-year average water demand by Jurisdiction.
  - b. Total water supplies, inclusive of the Pure Water Monterey Expansion, were calculated and the existing recent 5-year average total demand was subtracted. Of the difference, 1,000 AF was identified to be held in the District Reserve as a “factor of safety.” The remainder was considered “available” for allocation.
  - c. The 25-year growth rate in water demand by Jurisdiction was forecasted based upon the Association of Monterey Bay Area Governments (AMBAG) Regional Growth Forecast, utilizing population growth for future Residential water use and job growth for future Non-Residential water use.
  - d. The alternate methodology of a survey was used for determining future demands for the Monterey Peninsula Airport District and the Army, Navy, and Coast Guard (Department of Defense Sites).
  - e. Adjustments, if any, were made for the 6th Cycle Regional Housing Needs Allocation (RHNA).
  - f. It was determined that the 25-year total increase in demand was less than the new supplies available for allocation. Based on each Jurisdiction’s forecasted 25-year demand, a portion of its future demand has been Allocated from the new available supply (Pure Water Monterey Expansion) and the remainder is retained in the District Reserve for future allocation.
  - g. Existing unused Jurisdictional Allocations of the effective date of this Ordinance were left intact.
2. The Board of Directors shall examine the Allocations at least every four years following the AMBAG Regional Growth Forecast. Allocations may be reviewed more frequently at the discretion of the Board.

**G. BISHOP AND RYAN RANCH SUB-UNITS**

Henceforth, water Connections in the Bishop and Ryan Ranch subsystems of Cal-Am shall be tracked and accounted for using the same methodology as the Main California American Water System described in Regulation II, including the requirement for authorization of water from the Jurisdiction’s Allocation as described in Rule 23 and calculated in Rule 24.

*Rule added by Ordinance No. 197 (1/27/2025)*

**RULE 141 - DEFINITIONS**

*Definitions relocated from Rule 141 to Rule 11 by Ordinance No. 71 (12/20/93)*

**RULE 141 - WATER CONSERVATION REBATES**

**A. QUALIFYING DEVICES**

Rebates are available for purchase of the following Qualifying Devices within the boundaries of the Monterey Peninsula Water Management District. Qualifying Devices and the associated Rebate amount are shown in Table XIV-1.

**B. REBATE AMOUNTS**

Rebates shall be issued by the District on a first-come, first-served basis as long as funds remain available. Rebate amounts shall be listed in Table XIV-1 which may be modified from time to time by resolution of the Board. At no time shall a Rebate exceed the purchase price of the Qualifying Device.

**Table XIV-1**  
**Rebate Amounts**  
**Updated April 20, 2026**

Qualifying Device	Maximum Rebate
Ultra High Efficiency Toilet	\$75
Toilet Flapper	\$15
Pint Urinal (in a Residential use only)	\$75
High Efficiency Dishwasher (Residential)	\$125
High Efficiency Clothes Washer (Residential)	\$500
Instant-Access Hot Water System (per Qualifying Property)	\$200
On-demand hot water pump or point of source water heater (maximum of two per Qualifying Property)	\$100
Smart Flowmeter (one per User on a Site)	\$200
Smart Flowmeter with System Shut-Off (one per User on a Site)	\$500
Graywater Irrigation System supplied by one Clothes Washer	\$100
Graywater Irrigation System supplied by one or more Bathrooms that have a Bathtub/Shower connected to a Graywater Irrigation System. Residential limit: 4.	\$100 per Bathroom
Non-Residential Graywater system	Case-by-case basis
Weather Based or Smart Irrigation Controller	\$100 for up to four stations. An additional \$10 shall be available per station up to twenty (20) stations
Soil Moisture Sensor(s) on a conventional automatic Irrigation System (gypsum block Soil Moisture Sensors shall not qualify for Rebate)	\$25
Cistern water tanks installed on Sites supplied with water from the Monterey Peninsula Water Resource System (per Qualifying Property)	\$50 per 100 gallons for the first 500 gallons and \$25 per 100 gallons of water storage capacity to a maximum storage capacity of 25,000 gallons
Lawn removal and replacement with low water use plants or permeable surfaces <sup>1</sup> (Prequalification required - See MPWMD Rule 141-F)	\$1.00 per square-foot to a maximum of 2,500 square-foot
Rotating Sprinkler Nozzle (minimum purchase and installation of ten)	\$4 each
Water Broom	\$150

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<sup>1</sup> Lawn removal Rebate at a Public facility may exceed the square-footage limitation subject to Board approval.

Commercial High Efficiency Clothes Washer <sup>2</sup>	\$1,000
Commercial Ozone Laundry System	\$1,000
Cooling Tower Conductivity Controller	\$1,000
Cooling Tower Conductivity/pH Controller	\$2,500
High Efficiency Connectionless Food Steamer (per compartment)	\$1,500
Commercial Waterless Wok Stove	\$5,000
Water Efficient Commercial Steam or Combi Oven	\$2,500
High Efficiency Commercial Dishwasher	
Under counter model	\$1,000
Single tank door type model	\$1,500
Single tank conveyor	\$2,000
Multi-tank conveyor	\$2,500
Water Pressure Regulator Valve Replacement	\$250
Medical equipment steam sterilizer retrofit with a water tempering device	\$1,500
Dry Vacuum Pump (per 0.05 HP to a limit of 4 HP)	\$200
Removal of whirlpool (or jetted water system) Bathtub in Visitor-Serving Facility	\$250
Multi-Family Dwelling Meter Split	\$100/dwelling unit
Smart Toilet Leak Detectors installed in Visitor Serving Facilities and Master Metered Multi-Family Housing	25 percent of the cost of 20 or more smart toilet leak detector units to a maximum of \$15,000

<sup>2</sup> Available only to Residential Sites with up to three Dwelling Units. Required for all Non-Residential Users and Common Laundry Rooms at Multi-Family Sites with four or more units.

*Table added by Ordinance No. 163 (3/16/2015) and revised by Resolution 2015-04 (4/20/2015); Resolution 2015-25 (12/14/2015); Ordinance No. 176 (1/25/2017); Ordinance No. 177 (9/18/2017); Resolution 2021-09 (June 21, 2021); Resolution 2021-16 (12/13/2021); Resolution No. 2023-03 (2/13/2023)*

**C. REBATE ELIGIBILITY**

1. Rebates shall be issued for Qualifying Devices installed on Sites located within the District that are served by Water Distribution Systems regulated by the District. The Site shall be in compliance with District Rules prior to issuance of a Rebate.
2. No Rebate shall be issued for installation of Qualifying Devices that are required to be installed and maintained by Regulation II (Permits) or Regulation XIV (Water Conservation) of the District. No Rebate shall be issued for installation of Qualifying Devices that were required to obtain a Water Permit. Rebates shall be available until the date the retrofit becomes mandatory, such as the date a Change of Ownership or Change of Use occurs or a Water Permit is issued. Rebates shall not be available for Qualifying Devices that have been required to be installed and maintained by local, State, or Federal water conservation programs, including state requirements for the sale and installation of High Efficiency Toilets.
3. Rebates shall be available only for the initial purchase of a Qualifying Device. Rebates shall not be issued for replacement of an existing Qualifying Device except for High Efficiency Clothes Washers that have been removed from the Qualifying Property by a previous owner/tenant or that are being replaced after eight or more years and High Efficiency Dishwashers and Ultra High Efficiency Toilets replaced after ten years. Applicants submitting an application for a High Efficiency Clothes Washer Rebate on a Site that has previously qualified for a High Efficiency Clothes Washer Rebate may be required to provide information to substantiate a subsequent Rebate.
4. Ultra High Efficiency Toilets shall meet or exceed the EPA WaterSense labeling criteria and shall bear the WaterSense Label and be listed on the WaterSense website.
5. Rebates shall be available for a maximum of twenty (20) toilets at one Site .
6. Outdoor Water Use Rebates
  - a. Rebates for Cisterns shall be limited to 25,000 gallons of r a i n w a t e r storage capacity on a Qualifying Property. All Cistern Rebate Sites shall have sufficient roof area to fill the capacity of the Cistern(s) after first flush during a “normal” Water Year and may require verification of usable roof area by Site inspection.
  - b. Rebates for Lawn removal shall be available only to Qualifying Properties irrigated with water from the Monterey Peninsula Water Resource System.

- c. To be eligible for any Rebate for Lawn Removal, Lawns must be green, regularly maintained at a low even height, irrigated regularly, and be well cared for at the time of application for a Rebate. Dead Lawns or Lawns that have been removed prior to issuance of a Lawn Rebate prequalification statement from the District shall not be eligible for a Rebate.
  - d. A minimum of 250 square-feet of Lawn shall be removed to qualify for a Rebate.
  - e. Eligibility for any Lawn Removal Rebate shall be determined upon receipt of a complete application as described in Rule 141-E. The District will notify the Applicant by written prequalification documentation that the proposed Lawn removal and replacement proposal has been “prequalified.”
7. Non-Residential Rebates
- a. Rebates for Dry Vacuum Pumps shall be available only when the Qualifying Device is replacing a water (liquid) ring pump.
  - b. Rebates for retrofitting medical steam sterilizers with water tempering devices are limited to those sterilizers that use a continuous water flow to cool the steam discharge.

**D. CONDITIONS OF APPROVAL**

- 1. Applications for all Rebates with the exception of Lawn removal Rebates, shall be submitted within 120 days of purchase of Qualifying Devices.
- 2. Applicant shall install the fixture and/or appliance at the property listed on the application form.
- 3. Applicant shall certify under the penalty of perjury that the information on the application is true and complete.
- 4. Rebates shall only be granted for Qualifying Devices that meet the definitions as provided in Rule 11.
- 5. Applicant agrees that the District may conduct an inspection of the Rebate Site to verify installation of Qualifying Devices.
- 6. Rebates for Weather Based Irrigation Controllers

- a. Rebates shall only be granted for Weather Based Irrigation Controllers that meet minimum quality and dependability requirements as determined by product testing conducted by the Irrigation Association.
  - b. Irrigation System shall be a fully operational, and shall be efficiently designed, or modified if necessary, to include proper Distribution Uniformity, matched spray heads or emitters with similar precipitation rates, efficient Hydrozoning, and proper spacing.
  - c. Site shall include at least 1,500 square-feet of automatically irrigated Landscaping.
7. Rebates for Lawn removal and replacement with low water use plants or permeable surfaces.
- a. Lawn removal and replacement at a Qualifying Property shall be subject to annual visual verification by the District.
  - b. Determinations of eligibility for Lawn removal and replacement Rebates shall be at the discretion of the General Manager.
  - c. Applications for Lawn removal Rebates shall require prequalification. The prequalification process is explained in Rule 141-F-2, Process.
  - d. Lawn must be replaced with low water use plants or permeable surfaces (e.g., mulch, decomposed granite, Synthetic Turf, permeable pavers). Concrete and grouted pavers do not qualify.
  - e. If converted area is irrigated, a Drip Irrigation System must be installed and maintained. Overhead irrigation shall not be installed.
  - f. Planted areas must be mulched to a minimum depth of three inches from the plant to the drip line of the plant.
  - g. Lawn shall not be relocated to another area on the Site. The total Lawn area shall be listed on the deed restriction that restricts the changed Landscaped Area for fifteen (15) years.
  - h. Recipients of Rebates for Lawn removal shall agree to have a deed restriction recorded on the title of the property allowing public access to water use records prior to issuance of a Rebate. The application shall not be deemed complete until the deed restriction document has

been notarized and returned to the District and has been successfully recorded. Rejected notarizations shall void the date of completion until the document has been recorded.

- i. Lawn removal Rebates shall require recordation of a deed restriction on the title of the property prior to release of Rebate funds that specifies that the property is restricted to the changed Landscaped Area for a period of fifteen (15) years. The deed restriction shall be rescinded upon repayment to the District of the full Rebate amount and any processing fee required pursuant to Regulation VI, Fees. The application shall not be deemed complete until the deed restriction document has been notarized and returned to the District and has been successfully recorded.
8. Graywater Irrigation System Rebates shall be granted when the following conditions have been met:
    - a. Applicant shall comply with the Monterey County Environmental Health Bureau Graywater Irrigation Systems Permitting Process and Design Criteria.
    - b. Any necessary building/plumbing permits have been completed and copies provided with the Rebate application.
    - c. MPWMD staff may verify Graywater Irrigation Systems by Site inspection or other means.
  9. Multi-Family Dwelling Meter Split Rebates shall only be approved and processed after verification that a Water Meter has been installed by the Water Distribution System Operator.
  10. Rebates for Smart Flowmeters. Qualifying Devices shall meet the following requirements:
    - a. Eligible Smart Flowmeters shall measure total water usage at least hourly and report water usage on a web portal or smartphone application.
    - b. Limit of one Smart Flowmeter Rebate per User on a Parcel.
    - c. An Applicant for a Smart Flowmeter shall obtain authorization from the Water Distribution System Operator when a flowmeter is attached to the Water Meter.
    - d. The Smart Flowmeter shall be designed for at least two years of

continuous operation.

- e. Property owner shall agree to keep the flowmeter installed and operational for a minimum of two years.
- f. Applicant shall submit a photograph of the installed Smart Flowmeter with the Rebate application.

**E. APPLICATION**

- 1. A completed application for Rebate shall include the name and address of the Applicant, property owner's name, telephone numbers, address of property where the fixture and/or Qualifying Device is being installed, Assessor's Parcel Number, water company account number, date of retrofit, brand and model of Qualifying Device installed, name of installer and receipt for the purchase of the appliance. The application shall also request information about how the Applicant learned of the Rebate program.
- 2. Lawn removal Rebate applications shall follow the process shown in Rule 141-F-2.
- 3. Applications for Rebate shall include either the original or a full copy of the receipt for purchase.
- 4. Written authorization of the current property owner or property manager shall be required for Applicants who are not the owners of the property for which a Rebate is requested. The authorization must indicate consent to the Applicant receiving a Rebate for installation of the Qualifying Devices. Applications submitted without approval will be denied.

**F. PROCESS**

- 1. Upon receipt of an application, the District shall verify completion and accuracy of information and shall verify the purchase of the Qualifying Device(s) by reviewing the purchase receipt(s).
- 2. Lawn removal Rebate application process.
  - a. Prequalification: Applicants must complete and submit a Lawn Rebate application form that includes the following documents:
    - (1) Water records (either copies of bills or a printout from the Water Distribution System) for the two most recent years;
    - (2) A drawn Site plan showing a detailed description (including

measured areas) of the Lawn replacement project, including square-footage of Lawn to be removed, names and numbers of plants or other surfaces to be installed, and the irrigation plan.

- (3) Two to three current photographs of the Lawn to be removed. A minimum of 250 square-feet of Lawn shall be removed to qualify for Rebate.
  - b. The Lawn Rebate Application shall be reviewed for completeness. The Applicant may be contacted to arrange a Site inspection to verify the Lawn.
  - c. When a determination has been made that removal of Lawn will result in permanent and quantifiable water savings, and when present funding is available in an amount sufficient to fund a Rebate for the Lawn removal, the District shall issue a Lawn Rebate prequalification letter. The Applicant shall have 120 days from the date of the prequalification letter to complete the project and submit receipts, arrange for a final inspection by the District, and successfully record deed restrictions. Applications not completed within 120 days of the date of the prequalification letter shall be denied.
  - d. Rebates shall be subject to availability of funding.
3. The District shall search its records and shall verify compliance with previous retrofit requirements. If no violation is found, a Rebate shall be processed if funds are available in the Rebate Account.
  4. Information contained on the application shall be added to the District's records for future use in assessing water savings achieved through the Rebate Program.
  5. When funds are available in the Rebate Account, a Rebate check shall be processed and mailed to the Applicant.

*Added by Ordinance No. 129 (8/20/2007); amended by Ordinance No. 139 (5/21/2009); Ordinance No. 140 (11/16/2009); Ordinance No. 144 (8/16/2010); Ordinance No. 148 (4/18/2011); Ordinance No. 149 (9/19/2011); Ordinance No. 153 (6/19/2012); Ordinance No. 156 (11/18/2013); Ordinance No. 159 (4/21/2014); Ordinance No. 163 (3/16/2015); Ordinance No. 176 (1/25/2017); Ordinance No. 177 (9/18/2017); Ordinance No. 179 (8/20/2018); Ordinance No. 182 (5/20/2019); Ordinance No. 189 (12/31/2021)*

**RULE 141 - DEFINITIONS**

*Definitions relocated from Rule 141 to Rule 11 by Ordinance No. 71 (12/20/93)*

**RULE 141 - WATER CONSERVATION REBATES**

**A. QUALIFYING DEVICES**

Rebates are available for purchase of the following Qualifying Devices within the boundaries of the Monterey Peninsula Water Management District. Qualifying Devices and the associated Rebate amount are shown in Table XIV-1.

**B. REBATE AMOUNTS**

Rebates shall be issued by the District on a first-come, first-served basis as long as funds remain available. Rebate amounts shall be listed in Table XIV-1 which may be modified from time to time by resolution of the Board. At no time shall a Rebate exceed the purchase price of the Qualifying Device.

**Table XIV-1**  
**Rebate Amounts**  
Updated ~~February 13, 2023~~ April 20, 2026

Qualifying Device	Maximum Rebate
<del>High Efficiency Toilet</del>	<del>\$75</del>
Ultra High Efficiency Toilet	<del>\$125</del> <u>75</u>
Toilet Flapper	\$15
Pint Urinal (in a Residential use only)	<del>\$250</del> <u>75</u>
<del>Zero Water Consumption Urinal</del>	<del>\$250</del>
High Efficiency Dishwasher (Residential)	\$125
High Efficiency Clothes Washer (Residential)	\$500
Instant-Access Hot Water System (per Qualifying Property)	\$200
On-demand hot water pump or point of source water heater (maximum of two per Qualifying Property)	\$100
Smart Flowmeter (one per User on a Site)	\$200
<del>Smart Flowmeter with System Shut-Off (one per User on a Site)</del>	<del>\$500</del>
Graywater Irrigation System supplied by one Clothes Washer	\$100
Graywater Irrigation System supplied by one or more Bathrooms that have a Bathtub/Shower connected to a Graywater Irrigation System. Residential limit: 4.	\$100 per Bathroom
Non-Residential Graywater system	Case-by-case basis
Weather Based or Smart Irrigation Controller	\$100 for up to four stations. An additional \$10 shall be available per station up to twenty (20) stations
Soil Moisture Sensor(s) on a conventional automatic Irrigation System (gypsum block Soil Moisture Sensors shall not qualify for Rebate)	\$25
Cistern water tanks installed on Sites supplied with water from the Monterey Peninsula Water Resource System (per Qualifying Property)	\$50 per 100 gallons for the first 500 gallons and \$25 per 100 gallons of water storage capacity to a maximum storage capacity of 25,000 gallons
Lawn removal and replacement with low water use plants or permeable surfaces <sup>1</sup> (Prequalification required - See MPWMD Rule 141-F)	\$1.00 per square-foot to a maximum of 2,500 square-foot
Rotating Sprinkler Nozzle (minimum purchase and installation of ten)	\$4 each
Water Broom	\$150

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<sup>1</sup> Lawn removal Rebate at a Public facility may exceed the square-footage limitation subject to Board approval.

Commercial High Efficiency Clothes Washer <sup>2</sup>	\$1,000
Commercial Ozone Laundry System	\$1,000
Cooling Tower Conductivity Controller	\$1,000
Cooling Tower Conductivity/pH Controller	\$2,500
High Efficiency Connectionless Food Steamer (per compartment)	\$1,500
Commercial Waterless Wok Stove	\$5,000
Water Efficient Commercial Steam or Combi Oven	\$2,500
High Efficiency Commercial Dishwasher	
Under counter model	\$1,000
Single tank door type model	\$1,500
Single tank conveyor	\$2,000
Multi-tank conveyor	\$2,500
<u>Water Pressure Regulator Valve Replacement</u>	<u>\$250</u>
<del>X ray film processor recirculation system</del>	<del>\$2,500</del>
Medical equipment steam sterilizer retrofit with a water tempering device	\$1,500
Dry Vacuum Pump (per 0.05 HP to a limit of 4 HP)	\$200
Removal of whirlpool (or jetted water system) bathtub in Visitor-Serving Facility	\$250
Multi-Family Dwelling Meter Split	\$100/dwelling unit
Smart Toilet Leak Detectors installed in Visitor Serving Facilities and Master Metered Multi-Family Housing	25 percent of the cost of 20 or more smart toilet leak detector units to a maximum of \$15,000

<sup>2</sup> Available only to Residential Sites with up to three Dwelling Units. Required for all Non-Residential Users and Common Laundry Rooms at Multi-Family Sites with four or more units.

*Table added by Ordinance No. 163 (3/16/2015) and revised by Resolution 2015-04 (4/20/2015); Resolution 2015-25 (12/14/2015); Ordinance No. 176 (1/25/2017); Ordinance No. 177 (9/18/2017); Resolution 2021-09 (June 21, 2021); Resolution 2021-16 (12/13/2021); Resolution No. 2023-03 (2/13/2023)*

**C. REBATE ELIGIBILITY**

1. Rebates shall be issued for Qualifying Devices installed on Sites located within the District that are served by Water Distribution Systems regulated by the District. The Site shall be in compliance with District Rules prior to issuance of a Rebate.
2. No Rebate shall be issued for installation of Qualifying Devices that are required to be installed and maintained by Regulation II (Permits) or Regulation XIV (Water Conservation) of the District ~~with the exception of High Efficiency Toilets installed at Sites owned and operated by California Non Profit Corporations~~. No Rebate shall be issued for installation of Qualifying Devices that were required to obtain a Water Permit. Rebates shall be available until the date the retrofit becomes mandatory, such as the date a Change of Ownership or Change of Use occurs or a Water Permit is issued ~~unless modified by the Board of Directors~~. Rebates shall not be available for Qualifying Devices that have been required to be installed and maintained by local, State, or Federal water conservation programs, including state requirements for the sale and installation of High Efficiency Toilets.
3. Rebates shall be available only for the initial purchase of a Qualifying Device. Rebates shall not be issued for replacement of an existing Qualifying Device except for High Efficiency Clothes Washers that have been removed from the Qualifying Property by a previous owner/tenant or that are being replaced after eight or more years and High Efficiency Dishwashers and Ultra High Efficiency Toilets replaced after ten years. Applicants submitting an application for a High Efficiency Clothes Washer Rebate on a Site that has previously qualified for a High Efficiency Clothes Washer Rebate may be required to provide information to substantiate a subsequent Rebate.
4. Ultra High Efficiency Toilets shall meet or exceed the EPA WaterSense labeling criteria and shall bear the WaterSense Label and be listed on the WaterSense website.
5. Rebates shall be available for a maximum of twenty (20) toilets at one Site ~~on all Non-Residential Qualifying Properties with the exception of Qualifying Properties owned and operated by a California Non Profit Corporation or that participate in the District's High Efficiency Appliance Retrofit Target (HEART) program~~.
6. Outdoor Water Use Rebates
  - a. Rebates for Cisterns shall be limited to 25,000 gallons of rainwater storage capacity on a Qualifying Property. All Cistern Rebate Sites shall

have sufficient roof area to fill the capacity of the Cistern(s) after first flush during a “normal” Water Year and may require verification of usable roof area by Site inspection.

- b. Rebates for Lawn removal shall be available only to Qualifying Properties irrigated with water from the Monterey Peninsula Water Resource System.
  - c. To be eligible for any Rebate for Lawn Removal, Lawns must be green, regularly maintained at a low even height, irrigated regularly, and be well cared for at the time of application for a Rebate. Dead Lawns or Lawns that have been removed prior to issuance of a Lawn Rebate prequalification statement from the District shall not be eligible for a Rebate.
  - d. A minimum of 250 square-feet of Lawn shall be removed to qualify for a Rebate.
  - e. Eligibility for any Lawn Removal Rebate shall be determined upon receipt of a complete application as described in Rule 141-E. The District will notify the Applicant by written prequalification documentation that the proposed Lawn removal and replacement proposal has been “prequalified.”
7. Non-Residential Rebates
- ~~a. An X-ray film processor recirculation system shall be listed as a qualifying model by the California Urban Water Conservation Council Resource Center.~~
  - b.a. Rebates for Dry Vacuum Pumps shall be available only when the Qualifying Device is replacing a water (liquid) ring pump.
  - e.b. Rebates for retrofitting medical steam sterilizers with water tempering devices are limited to those sterilizers that use a continuous water flow to cool the steam discharge.

**D. CONDITIONS OF APPROVAL**

- 1. Applications for all Rebates with the exception of Lawn removal Rebates, shall be submitted within 120 days of purchase of Qualifying Devices.
- 2. Applicant shall install the fixture and/or appliance at the property listed on the application form.

3. Applicant shall certify under the penalty of perjury that the information on the application is true and complete.
4. Rebates shall only be granted for Qualifying Devices that meet the definitions as provided in Rule 11.
5. Applicant agrees that the District may conduct an inspection of the Rebate Site to verify installation of Qualifying Devices.
6. Rebates for Weather Based Irrigation Controllers
  - a. Rebates shall only be granted for Weather Based Irrigation Controllers that meet minimum quality and dependability requirements as determined by product testing conducted by the Irrigation Association.
  - b. Irrigation System shall be a fully operational, and shall be efficiently designed, or modified if necessary, to include proper ~~distribution~~ Distribution uniformityUniformity, matched spray heads or emitters with similar precipitation rates, efficient ~~h~~Hydrozoning, and proper spacing.
  - c. Site shall include at least 1,500 square-feet of automatically irrigated Landscaping.
  - ~~d. — Recipients of Rebates for Weather Based Irrigation Controllers shall agree to have a deed restriction recorded on the title of the property allowing public access to water use records prior to issuance of a Rebate. The application shall not be deemed complete until the deed restriction document has been notarized and returned to the District and has been successfully recorded. Rejected notarizations shall void the date of completion until the document has been recorded.~~
7. Rebates for Lawn removal and replacement with low water use plants or permeable surfaces.
  - a. Lawn removal and replacement at a Qualifying Property shall be subject to annual visual verification by the District.
  - b. Determinations of eligibility for Lawn removal and replacement Rebates shall be at the discretion of the General Manager.
  - c. Applications for Lawn removal Rebates shall require prequalification. The prequalification process is explained in Rule 141-F-2, Process.

- d. Lawn must be replaced with low water use plants or permeable surfaces (e.g., mulch, decomposed granite, Synthetic Turf, permeable pavers). Concrete and grouted pavers do not qualify.
  - e. If converted area is irrigated, a Drip Irrigation System must be installed and maintained. Overhead irrigation shall not be installed.
  - f. Planted areas must be mulched to a minimum depth of three inches from the plant to the drip line of the plant.
  - g. Lawn shall not be relocated to another area on the Site. The total Lawn area shall be listed on the deed restriction that restricts the changed Landscaped Area for fifteen (15) years.
  - h. Recipients of Rebates for Lawn removal shall agree to have a deed restriction recorded on the title of the property allowing public access to water use records prior to issuance of a Rebate. The application shall not be deemed complete until the deed restriction document has been notarized and returned to the District and has been successfully recorded. Rejected notarizations shall void the date of completion until the document has been recorded.
  - i. Lawn removal Rebates shall require recordation of a deed restriction on the title of the property prior to release of Rebate funds that specifies that the property is restricted to the changed Landscaped Area for a period of fifteen (15) years. The deed restriction shall be rescinded upon repayment to the District of the full Rebate amount and any processing fee required pursuant to Regulation VI, Fees. The application shall not be deemed complete until the deed restriction document has been notarized and returned to the District and has been successfully recorded.
8. Graywater Irrigation System Rebates shall be granted when the following conditions have been met:
- a. Applicant shall comply with the Monterey County ~~Department of Health's~~Environmental Health Bureau Graywater Irrigation Systems Permitting Process and Design Criteria.
  - b. Any necessary building/plumbing permits have been completed and copies provided with the Rebate application.
  - c. MPWMD staff may verify Graywater Irrigation Systems by Site

inspection or other means.

9. Multi-Family Dwelling Meter Split Rebates shall only be approved and processed after verification that a Water Meter has been installed by the Water Distribution System Operator.
10. Rebates for Smart Flowmeters. Qualifying Devices shall meet the following requirements:
  - a. Eligible Smart Flowmeters shall measure total water usage at least hourly and report water usage on a web portal or smartphone application.
  - b. Limit of one Smart Flowmeter Rebate per User on a Parcel.
  - c. An Applicant for a Smart Flowmeter shall obtain authorization from the Water Distribution System Operator when a flowmeter is attached to the Water Meter.
  - d. The Smart Flowmeter shall be designed for at least two years of continuous operation.
  - e. Property owner shall agree to keep the flowmeter installed and operational for a minimum of two years.
  - f. Applicant shall submit a photograph of the installed Smart Flowmeter with the Rebate application.

**E. APPLICATION**

1. A completed application for Rebate shall include the name and address of the Applicant, property owner's name, telephone numbers, address of property where the fixture and/or Qualifying Device is being installed, Assessor's Parcel Number, water company account number, date of retrofit, brand and model of Qualifying Device installed, name of installer and receipt for the purchase of the appliance. The application shall also request information about how the Applicant learned of the Rebate program.
2. Lawn removal Rebate applications shall follow the process shown in Rule 141-F-2.
3. Applications for Rebate shall include either the original or a full copy of the receipt for purchase.

4. Written authorization of the current property owner or property manager shall be required for Applicants who are not the owners of the property for which a Rebate is requested. The authorization must indicate consent to the Applicant receiving a Rebate for installation of the Qualifying Devices. Applications submitted without approval will be denied.

**F. PROCESS**

1. Upon receipt of an application, the District shall verify completion and accuracy of information and shall verify the purchase of the Qualifying Device(s) by reviewing the purchase receipt(s).
2. Lawn removal Rebate application process.
  - a. Prequalification: Applicants must complete and submit a Lawn Rebate application form that includes the following documents:
    - (1) Water records (either copies of bills or a printout from the Water Distribution System) for the two most recent years;
    - (2) A drawn Site plan showing a detailed description (including measured areas) of the Lawn replacement project, including square-footage of Lawn to be removed, names and numbers of plants or other surfaces to be installed, and the irrigation plan.
    - (3) Two to three current photographs of the Lawn to be removed. A minimum of 250 square-feet of Lawn shall be removed to qualify for Rebate.
  - b. The Lawn Rebate Application shall be reviewed for completeness. The Applicant may be contacted to arrange a Site inspection to verify the Lawn.
  - c. When a determination has been made that removal of Lawn will result in permanent and quantifiable water savings, and when present funding is available in an amount sufficient to fund a Rebate for the Lawn removal, the District shall issue a Lawn Rebate prequalification letter. The Applicant shall have 120 days from the date of the prequalification letter to complete the project and submit receipts, arrange for a final inspection by the District, and successfully record deed restrictions. Applications not completed within 120 days of the date of the prequalification letter shall be denied.

- d. Rebates shall be subject to availability of funding.
3. The District shall search its records and shall verify compliance with previous retrofit requirements. If no violation is found, a Rebate shall be processed if funds are available in the Rebate Account.
4. Information contained on the application shall be added to the District's records for future use in assessing water savings achieved through the Rebate Program.
5. When funds are available in the Rebate Account, a Rebate check shall be processed and mailed to the Applicant.

*Added by Ordinance No. 129 (8/20/2007); amended by Ordinance No. 139 (5/21/2009); Ordinance No. 140 (11/16/2009); Ordinance No. 144 ((8/16/2010); Ordinance No. 148 (4/18/2011); Ordinance No. 149 (9/19/2011); Ordinance No. 153 (6/19/2012); Ordinance No. 156 (11/18/2013); Ordinance No. 159 (4/21/2014); Ordinance No. 163 (3/16/2015); Ordinance No. 176 (1/25/2017); Ordinance No. 177 (9/18/2017); Ordinance No. 179 (8/20/2018); Ordinance No. 182 (5/20/2019); Ordinance No. 189 (12/31/2021)*

**RULE 160 - REGULATORY PRODUCTION TARGETS AND PHYSICAL SUPPLY TARGET**

The monthly distribution of water production from sources within the Monterey Peninsula Water Resource System (MPWRS), as shown in Tables XV-1, XV-2, XV-3, and XV-4 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 Tables XV-1, XV-2, XV-3, and XV-4 by Resolution.

The Physical Supply Target, as shown in Table XV-5 shall be approved as of May 1 each year by the Board of Directors. The Board shall hold a public hearing during the Board's regular meeting in May, at which time the Board may modify Table XV-5 by Resolution.

*Rule added by Ordinance No. 92 (1/29/99); amended by Ordinance No. 119 (3/21/2005); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); Ordinance No. 142 (1/28/2010); deleted by Ordinance No. 169 (2/17/2016); Rule added by Ordinance No. 169 (2/17/2016)*

**Table XV-1  
Regulatory Water Production Targets  
for All California American Water Systems from All Sources  
Within the Monterey Peninsula Water Resource System**

(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	783	783
November	739	1,522
December	602	2,124
January	800	2,925
February	868	3,792
March	1,013	4,805
April	1,022	5,827
May	971	6,799
June	691	7,489
July	722	8,211
August	725	8,937
September	689	9,626
<b>TOTAL</b>	<b>9,626</b>	--

Notes:

Monthly and year-to date at month-end production targets are based on the annual production limit specified for the California American Water (Cal-Am) system for Water Year (WY) 2026 from Carmel River sources per State Water Resources Control Board Order WR 2016-0016 (3,376 acre-feet) and adjusted annual production limits specified for its Coastal Subarea sources of the Seaside Groundwater Basin (1,466 acre-feet) per the Seaside Basin Adjudication Decision, as adjusted. In addition, included are water to be supplied by the Pure Water Monterey project, the Sand City desalination project, entitlement water from Malpas Water Co LLC, and transfers from small water producers in the Seaside Basin. These values do not include consideration of any carryover credit in the Seaside Basin for WY 2025. This combined total (9,626 acre-feet) was distributed monthly based on Cal-Am’s reported monthly average production for its main and satellite systems during the 2013 through 2018 period, as well as forecasted amounts for other sources (see Table XV-4.)

*Table XV-1 amended by Resolution 2007-05 (5/21/2007); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); Resolution 2009-08 (6/15/2009); Resolution 2009-17 (12/14/2009); Resolution 2010-06 (5/17/2010); Resolution 2011-01 (1/27/2011); Resolution 2011-12 (9/19/2011); Resolution 2012-13 (9/17/2012); Resolution 2013-15 (9/16/2013); Resolution 2014-15 (9/15/2014); Resolution 2015-18 (9/21/2015); Resolution 2016-14 (9/19/2016); Resolution 2017-15 (9/18/2017); Resolution 2018-19 (9/17/2018); Resolution 2019-12 (9/16/2019); Resolution No. 2020-13 (9/21/2020); Resolution 2020-19 (12/14/2020); Resolution 2021-10 (6/21/2021); Resolution 2022-25 (9/19/2022); Resolution 2023-14 (9/18/2023); Resolution 2024-11 (9/16/2024); Resolution 2025-07 (9/15/2025)*

**Table XV-2  
Regulatory Water Production Targets  
for California American Water Satellite Seaside Basin Sources  
Within the Monterey Peninsula Water Resource System**

(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	134	134
November	110	245
December	100	345
January	109	455
February	99	554
March	116	670
April	116	787
May	132	919
June	132	1,051
July	141	1,192
August	142	1,335
September	131	1,466
TOTAL	1,466	--

**Notes:**

Monthly and year-to-date month-end production targets are based on the adjusted annual production limit specified for the California American Water (Cal-Am) system for Water Year 2026 from its sources in the Seaside Groundwater Basin per the Seaside Basin Adjudication Decision. This total (1,466 acre-feet) was distributed monthly based on Cal-Am’s reported monthly average production for its satellite systems during the 2013 through 2018 period.

*Table XV-2 added by Ordinance No. 135 (9/22/2008); amended by Ordinance No. 137 (12/8/2008); Resolution 2009-08 (6/15/2009); Resolution 2009-17 (12/14/2009); Resolution 2010-06 (5/17/2010); Resolution 2011-01 (1/27/2011); Resolution 2011-12 (9/19/2011); Resolution 2012-13 (9/17/2012); Resolution 2013-15 (9/16/2013); Resolution 2014-15 (9/15/2014); Resolution 2015-18 (9/21/2015); Resolution 2016-14 (9/19/2016); Resolution 2017-15 (9/18/2017); Resolution 2018-19 (9/17/2018); Resolutuion 2019-12 (9/16/2019); Resolution 2020-13 (9/21/2020); Resolution 2020-19 (12/14/2020); Resolution 2022-25 (9/19/2022); Resolution 2023-14 (9/18/2023); Resolution 2024-11 (9/16/2024); Resolution 2025-07 (9/15/2025)*

**Table XV-3  
Regulatory Water Production Targets  
for All California American Water Systems from Carmel River Sources  
Within the Monterey Peninsula Water Resource System**

(All Values in Acre-Feet)

<b>Month</b>	<b>Monthly Target</b>	<b>Year-to-Date at Month-End Target</b>
October	309	309
November	254	563
December	231	795
January	252	1,047
February	229	1,276
March	268	1,544
April	268	1,812
May	305	2,116
June	305	2,421
July	325	2,746
August	328	3,074
September	302	3,376
<b>TOTAL</b>	<b>3,376</b>	<b>--</b>

Notes:

Monthly and year-to-date at month-end production targets are based on the annual production limit specified for California American Water (Cal-Am) for Water Year (WY) 2026 from its Carmel River system sources per State Water Resources Control Board Order WR 2016-0016 (3,376 acre-feet). This amount was distributed monthly based on Cal-Am's reported monthly average production for its Main system sources during the 2013 through 2018 period.

*Table XV-3 added by Resolution 2014-15 (9/15/2014); amended by Resolution 2015-18 (9/21/2015); Resolution 2016-14 (9/19/2016); Resolution 2017-15 (9/18/2017); Resolution 2018-19 (9/17/2018); Resolution 2019-12 (9/16/2019); Resolution 2020-13 (9/21/2020); Resolution 2020-19 (12/14/2020); Resolution 2022-25 (9/19/2022); Resolution 2023-14 (9/18/2023); Resolution 2024-11 (9/16/2024); Resolution 2025-07 (9/15/2025)*

**Table XV-4**  
**Regulatory Water Production Targets**  
**for All California American Water Systems from Other Sources**  
**Within the Monterey Peninsula Water Resource System**

(All Values in Acre-Feet)

Month	Monthly Target Pure Water Monterey	Monthly Target Sand City Desalination	Monthly Target Malpasos	Monthly Target Other Seaside Basin	Year-to-Date at Month-End Target
October	413	17	7	2	439
November	513	17	7	2	977
December	603	17	7	2	1,606
January	612	17	7	2	2,244
February	509	17	7	2	2,778
March	200	17	7	2	3,004
April	230	17	7	2	3,260
May	230	17	7	2	3,515
June	230	17	7	2	3,771
July	327	17	7	2	4,124
August	349	17	7	2	4,498
September	319	17	7	2	4,843
TOTAL	4,536	200	86	22	--

Notes:

Monthly and year-to-date at month-end production targets for Other Sources are based on the annual production forecast for the Pure Water Monterey project, the Sand City desalination project, entitlement water from Malpasos Water Co LLC, and transfers from small water producers in the Seaside Basin.

Table XV-4 added by Ordinance 201 (3/16/2026);

**Table XV-5  
Physical Supply Target  
for the Cal-Am Main System  
for the May-September 2025 and all WY 2026**

<b>May-September Demand Remaining</b>	<b>Supply Needs for Next Year Customer Demand</b>	<b>Total Supply Required on May 1</b>
3,688	9,303	12,991
<b>Supply Available May-September</b>	<b>Supply Available Next Year</b>	<b>Total Supply Available on May 1</b>
10,584	16,431	27,015
<b>Surplus/(Deficit) as of May 1:</b>		<b>14,024</b>

1. The May-September period refers to the remainder of the current Water Year.
2. Supply needs for the following Water Year equals the customer demand in the most recent District adopted Water Supply and Demand Forecast, as amended.
3. Total Supply refers to the combination of unused supplies remaining from May 1 to the end of the current Water Year and supply available for the next Water Year. The value in **bold type** represents the supply trigger that would be used for the system in the next Water Year. The value is based on the production limits for California American Water (Cal-Am) from Carmel River sources (3,376 Acre-Feet) set by State Water Resources Control Board Order WR 2016-0016, the production limit for Cal-Am from the Seaside Groundwater Basin (1,466 Acre-Feet) set by the Court in its March 27, 2006 Adjudication Decision, as adjusted, the available supplies from the Pure Water Monterey project, the Sand City desalination project, entitlement water from Malpasco Water Co LLC, and transfers from small water producers in the Seaside Basin, plus available stored water.

*Table XV-5 added by Resolution 2014-07 (5/19/2014); amended by Resolution 2014-15 (9/15/2014); Resolution 2015-08 (5/18/2015); Ordinance No. 169 (2/17/2016); Resolution 2016-09 (5/16/2016); Resolution 2017-08 (5/15/2017); Resolution 2018-09 (5/21/2018); Resolution 2019-04 (5/20/2019); Resolution 2020-05 (5/18/2020); Resolution 2021-04 (5/17/2021); Ordinance 201 (3/16/2026);*

**Note that additional amendments were made between first and second reading to align values with dates.**

**RULE 160 - REGULATORY PRODUCTION TARGETS AND PHYSICAL SUPPLY STORAGE TARGET**

The monthly distribution of water production from sources within the Monterey Peninsula Water Resource System (MPWRS), as shown in Tables XV-1, XV-2, and XV-3, and XV-4 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 Tables XV-1, XV-2, and XV-3, and XV-4 by Resolution.

The Physical SupplyStorage Target, as shown in Table XV-54 shall be approved as of May 1 each year by the Board of Directors. The Board shall hold a public hearing during the Board's regular meeting in May, at which time the Board may modify Table XV-54 by Resolution.

*Rule added by Ordinance No. 92 (1/29/99); amended by Ordinance No. 119 (3/21/2005); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); Ordinance No. 142 (1/28/2010); deleted by Ordinance No. 169 (2/17/2016); Rule added by Ordinance No. 169 (2/17/2016)*

**Table XV-1**  
**Regulatory Water Production Targets**  
**for All California American Water Systems from All Sources**  
**Within the Monterey Peninsula Water Resource System**

(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	<u>783443</u>	<u>783443</u>
November	<u>739363</u>	<u>1,522806</u>
December	<u>602335</u>	<u>2,1241,141</u>
January	<u>800366</u>	<u>2,9251,507</u>
February	<u>868328</u>	<u>3,7921,835</u>
March	<u>1,013383</u>	<u>4,8052,218</u>
April	<u>1,022385</u>	<u>5,8272,603</u>
May	<u>971438</u>	<u>6,7993,041</u>
June	<u>691437</u>	<u>7,4893,478</u>
July	<u>722468</u>	<u>8,2113,946</u>
August	<u>725470</u>	<u>8,9374,416</u>
September	<u>689434</u>	<u>9,6264,850</u>
TOTAL	<u>9,6264,850</u>	--

Notes:

Monthly and year-to date at month-end production targets are based on the annual production limit specified for the California American Water (Cal-Am) systems for Water Year (WY) 2026 from Carmel River sources per State Water Resources Control Board Order WR 2016-0016 (3,376 acre-feet) and adjusted annual production limits specified for ~~the Cal-Am satellite systems from its Coastal Subarea sources~~ of the Seaside Groundwater Basin (1,46674 acre-feet) ~~and Laguna Seca Subarea sources (0 acre-feet) of the Seaside Groundwater Basin~~ per the Seaside Basin Adjudication Decision, as adjusted. In addition, included are water to be supplied by the Pure Water Monterey project, the Sand City desalination project, entitlement water from Malpas Water Co LLC, and transfers from small water producers in the Seaside Basin. These values do not include consideration of any carryover credit in the Seaside Basin for WY 2025. This combined total (9,6264,850 acre-feet) was distributed monthly based on Cal-Am's reported monthly average production for its main and satellite systems during the 2013 through 2018 period, as well as forecasted amounts for other sources (see Table XV-4.)

*Table XV-1 amended by Resolution 2007-05 (5/21/2007); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); Resolution 2009-08 (6/15/2009); Resolution 2009-17 (12/14/2009); Resolution 2010-06 (5/17/2010); Resolution 2011-01 (1/27/2011); Resolution 2011-12 (9/19/2011); Resolution 2012-13 (9/17/2012); Resolution 2013-15 (9/16/2013); Resolution 2014-15 (9/15/2014); Resolution 2015-18 (9/21/2015); Resolution 2016-14 (9/19/2016); Resolution 2017-15 (9/18/2017); Resolution 2018-19 (9/17/2018); Resolution 2019-12 (9/16/2019); Resolution No. 2020-13 (9/21/2020); Resolution 2020-19 (12/14/2020); Resolution 2021-10 (6/21/2021); Resolution 2022-25 (9/19/2022); Resolution 2023-14 (9/18/2023); Resolution 2024-11 (9/16/2024); Resolution 2025-07 (9/15/2025)*

**Table XV-2**  
**Regulatory Water Production Targets**  
**for ~~All~~ California American Water Satellite ~~Systems from Seaside Basin~~ Sources**  
**Within the Monterey Peninsula Water Resource System**

(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	<del>0134</del>	<del>0134</del>
November	<del>0110</del>	<del>0245</del>
December	<del>0100</del>	<del>0345</del>
January	<del>0109</del>	<del>0455</del>
February	<del>099</del>	<del>0554</del>
March	<del>0116</del>	<del>0670</del>
April	<del>0116</del>	<del>0787</del>
May	<del>0132</del>	<del>0919</del>
June	<del>0132</del>	<del>01,051</del>
July	<del>0141</del>	<del>01,192</del>
August	<del>0142</del>	<del>01,335</del>
September	<del>0131</del>	<del>01,466</del>
TOTAL	<del>01,466</del>	--

**Notes:**

Monthly and year-to date at month-end production targets are based on the adjusted annual production limit specified for the California American Water (Cal-Am) ~~satellite~~ systems for Water Year 2026 from its sources in ~~the Laguna Seca Subarea of~~ the Seaside Groundwater Basin per the Seaside Basin Adjudication Decision. This ~~Laguna Seca Subarea~~ total (~~1,4660~~ acre-feet) was distributed monthly based on Cal-Am's reported monthly average production for its satellite systems during the 2013 through 2018 period.

*Table XV-2 added by Ordinance No. 135 (9/22/2008); amended by Ordinance No. 137 (12/8/2008); Resolution 2009-08 (6/15/2009); Resolution 2009-17 (12/14/2009); Resolution 2010-06 (5/17/2010); Resolution 2011-01 (1/27/2011); Resolution 2011-12 (9/19/2011); Resolution 2012-13 (9/17/2012); Resolution 2013-15 (9/16/2013); Resolution 2014-15 (9/15/2014); Resolution 2015-18 (9/21/2015); Resolution 2016-14 (9/19/2016); Resolution 2017-15 (9/18/2017); Resolution 2018-19 ((9/17/2018); Resolutuion 2019-12 (9/16/2019); Resolution 2020-13 (9/21/2020); Resolution 2020-19 (12/14/2020); Resolution 2022-25 (9/19/2022); Resolution 2023-14 (9/18/2023); Resolution 2024-11 (9/16/2024); Resolution 2025-07 (9/15/2025)*

**Table XV-3**  
**Regulatory Water Production Targets**  
**for All California American Water Systems from Carmel River Sources**  
**Within the Monterey Peninsula Water Resource System**

(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	30 <del>9</del> <u>8</u>	30 <del>9</del> <u>8</u>
November	25 <del>4</del> <u>2</u>	56 <del>3</del> <u>0</u>
December	23 <del>1</del> <u>4</u>	79 <del>5</del> <u>4</u>
January	25 <del>2</del> <u>6</u>	1,04 <del>7</del> <u>9</u>
February	22 <del>9</del> <u>8</u>	1,27 <del>6</del> <u>7</u>
March	26 <del>8</del> <u>6</u>	1,544
April	26 <del>8</del> <u>8</u>	1,812
May	305	2,116
June	30 <del>5</del> <u>4</u>	2,421
July	32 <del>5</del> <u>6</u>	2,74 <del>6</del> <u>7</u>
August	32 <del>8</del> <u>7</u>	3,074
September	302	3,376
TOTAL	3,376	--

Notes:

Monthly and year-to-date at month-end production targets are based on the annual production limit specified for California American Water (Cal-Am) for Water Year (WY) 2026 from its Carmel River system sources per State Water Resources Control Board Order WR 2016-0016 (3,376 acre-feet). This amount was distributed monthly based on Cal-Am's reported monthly average production for its Main system sources during the 2013 through 2018 period. ~~These values incorporate consideration of the triennial reductions specified for the Cal-Am systems in the Seaside Basin Adjudication Decision, in setting the monthly maximum production targets from each source as part of the MPWMD Quarterly Water Supply Budget Strategy.~~

*Table XV-3 added by Resolution 2014-15 (9/15/2014); amended by Resolution 2015-18 (9/21/2015); Resolution 2016-14 (9/19/2016); Resolution 2017-15 (9/18/2017); Resolution 2018-19 (9/17/2018); Resolution 2019-12 (9/16/2019); Resolution 2020-13 (9/21/2020); Resolution 2020-19 (12/14/2020); Resolution 2022-25 (9/19/2022); Resolution 2023-14 (9/18/2023); Resolution 2024-11 (9/16/2024); Resolution 2025-07 (9/15/2025)*

**Table XV-4**  
**Regulatory Water Production Targets**  
**for All California American Water Systems from Other\* Sources**  
**Within the Monterey Peninsula Water Resource System**

**(All Values in Acre-Feet)**

<u>Month</u>	<u>Monthly Target</u> <u>Pure Water</u> <u>Monterey</u>	<u>Monthly Target</u> <u>Sand City</u> <u>Desalination</u>	<u>Monthly Target</u> <u>Malpaso</u>	<u>Monthly Target</u> <u>Seaside</u> <u>Basin</u>	<u>Year-to-Date</u> <u>at</u> <u>Month-End</u> <u>Target</u>
<u>October</u>	<u>314</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>340</u>
<u>November</u>	<u>349</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>714</u>
<u>December</u>	<u>244</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>984</u>
<u>January</u>	<u>413</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>1,423</u>
<u>February</u>	<u>513</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>1,962</u>
<u>March</u>	<u>603</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>2,591</u>
<u>April</u>	<u>612</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>3,229</u>
<u>May</u>	<u>509</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>3,763</u>
<u>June</u>	<u>228</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>4,017</u>
<u>July</u>	<u>230</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>4,273</u>
<u>August</u>	<u>230</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>4,528</u>
<u>September</u>	<u>230</u>	<u>17</u>	<u>7</u>	<u>2</u>	<u>4,784</u>
<u>TOTAL</u>	<u>4,476</u>	<u>200</u>	<u>86</u>	<u>22</u>	<u>--</u>

**\*Notes:**

Monthly and year-to-date at month-end production targets for Other Sources are based on the annual production forecast for the Pure Water Monterey project, the Sand City desalination project, entitlement water from Malpaso Water Co LLC, and transfers from small water producers in the Seaside Basin, limit specified for California American Water (Cal-Am) for Water Year (WY) 2026 from its Carmel River system sources per State Water Resources Control Board Order WR 2016-0016 (3,376 acre-feet). This amount was distributed monthly based on Cal-Am's reported monthly average production for its Main system sources during the 2013 through 2018 period. These values incorporate consideration of the triennial reductions specified for the

**Table XV-54**  
**Physical Storage Supply Target**  
**for the Monterey Peninsula Water Resource Cal-Am Main System**  
**for the May-September 20250 and all WY 20262**

<u>Producer</u>	<u>May-September Demand</u>	<u>Carryover Storage Supply Needs for Next Year Demand From MPWRS</u>	<u>Total Storage Supply Required on May 1</u>
<u>California American Water (Cal-Am)</u>	3,688	4,850,303	8,538,12,994
<u>Non-Cal-Am</u>	<u>1,946</u>	<u>3,046</u>	<u>4,992</u>
<b>Total</b>	<b>5,634</b>	<b>7,896</b>	<b>13,530</b>
	<u>Supply Available May-September</u>	<u>Supply Available Next Year</u>	<u>Total Supply Storage Available on May 1</u>
	<u>10,584</u>	<u>16,371</u>	<u>28,380<sup>5</sup></u>
			<b>26,955</b>
		<u>Surplus/(Deficit) as of May 1:</u>	<b>13,964</b>

## Notes:

- The May-September period refers to the remainder of the current Water Year.
- ~~Carryover Storage refers to the volume of usable surface and Groundwater that is in storage at the end of the current Water Year and is projected to be available for use at the beginning of the following Water Year equals the customer demand in the most recent District adopted Water Supply and Demand Forecast, as amended the following Water Year.~~
- Total ~~Supply Storage~~ refers to the combination of ~~demand-un-used supplies~~ remaining from May 1 to the end of the current Water Year and ~~Carryover Storage~~ supply available for the next Water Year. ~~that is required to avoid imposing various levels of water Rationing.~~ The value in **bold type** represents the ~~supply storage~~ trigger that would be used for the system in ~~the next~~ Water Year ~~2021~~. The value is based on the production limits for California American Water (Cal-Am) from Carmel River sources (~~7,310 Acre Feet in WY 2021 and 3,376 Acre-Feet WY 2022~~) set by State Water Resources Control Board Order WR 2016-0016, the production limit for Cal-Am from the Seaside Groundwater Basin (~~1,46674 Acre-Feet in WY 2021 and 1,474 Acre Feet in WY 2022~~) set by the Court in its March 27, 2006 Adjudication Decision, as adjusted, the available supplies from the Pure Water Monterey project, the Sand City desalination project, entitlement water from Malpaso Water Co LLC, and transfers from small water producers in the Seaside Basin, plus available stored water. ~~and the production limit specified for non-Cal-Am users from the Monterey Peninsula Water Resource System set in the District's Water Allocation Program (Ordinance No. 87).~~

4. The rationing trigger is based on physical water availability and does not account for legal or environmental constraints on diversions from the Carmel River system.
5. ~~May 1, 2019 System Storage = 28,380 Acre Feet (25,340 Acre Feet Carmel Valley Alluvial Aquifer; 1,390~~
6. ~~5. Acre Feet Seaside Groundwater Basin; 1,650 Acre Feet Los Padres Reservoir); this is 90% of average and 86% of System Capacity (33,130 AF). TBD in 10/26.~~

*Table XV-4 added by Resolution 2014-07 (5/19/2014); amended by Resolution 2014-15 (9/15/2014); Resolution 2015-08 (5/18/2015); Ordinance No. 169 (2/17/2016); Resolution 2016-09 (5/16/2016); Resolution 2017-08 (5/15/2017); Resolution 2018-09 (5/21/2018); Resolution 2019-04 (5/20/2019); Resolution 2020-05 (5/18/2020); Resolution 2021-04 (5/17/2021)*

**RULE 163 - STAGE 2 WATER CONSERVATION: VOLUNTARY REDUCTION IN USE**

A. Trigger.

1. Physical Shortage Trigger (California-American Water Company Distribution Systems): Stage 2 shall take effect for all California-American Water Company Water Distribution Systems that rely, 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 Supply Available in Table XV-5 is below the Total Supply Required, but at least 95 percent of Total Supply Required. The amount of voluntary reduction shall equal the percentage shortfall in Total Supply Required.
2. Physical Shortage Trigger (Non-California-American Water Company Distribution Systems): Stage 2 shall take effect for any Water Distribution System, other than California-American Water Company's Water Distribution Systems, 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 Supply Available in Table XV-5 is below the Total Supply Required. The amount of voluntary reduction shall equal the percentage shortfall in Total Supply Required.
3. Regulatory Trigger – Production Targets: Stage 2 shall take effect on the California-American Water Company Water Distribution System when the most recent 12 month California American Water production from the MPWRS is greater than the then-current annual production target as determined in Table XV-1 but no greater than 105 percent of the annual production target. The amount of voluntary reduction shall equal the percentage overage of the annual production.
4. Regulatory Trigger – Regulatory Order: Stage 2 shall take effect in any Water Distribution System when that system is directed to reduce use by a governmental or regulatory agency. The amount of voluntary reduction shall equal the percentage directed by that governmental or regulatory agency relative to a base year determined by the governmental or regulatory agency.
5. Emergency Trigger: Stage 2 shall take effect for any Water Distribution System, private Well, or Water User when the Board finds that a Water Supply Emergency exists for a Water Distribution System. Stage 2 shall take effect upon adoption of a Resolution of the District Board of Directors, or a declaration of a Water Supply Emergency by the Water Distribution System Operator or a State or County entity, due to a catastrophic event. In that

Resolution or declaration, there shall be a finding of an immediate need to reduce production and shall name the Water Distribution System(s) affected. The amount of voluntary reduction shall be determined by the Board, the Water Distribution System Operator, or the State or County entity.

- B. The Water Distribution System Owner or Operator shall provide notice of the amount of voluntary reduction requested to affected Water Users pursuant to Rule 161. Additional noticing and public outreach may be provided by the District at the direction of its Board of Directors.
- C. The District and its agents shall increase enforcement activities related to Water Waste prohibitions.
- D. Stage 1 shall remain in effect.
- E. Sunset.
  - 1. Without further action of the Board of Directors, Stage 2, when implemented pursuant to Rule 163-A-1 and Rule 163-A-2, shall sunset and water use restrictions shall revert to Stage 1 when remaining Total Supply Available computed consistent with Table XV-5 is greater than remaining Total Supply Required for two (2) consecutive months.
  - 2. Without further action of the Board of Directors, Stage 2, when implemented pursuant to Rule 163-A-3, shall sunset for the California American Water Company and water use restrictions shall revert to Stage 1 when that Water Distribution System's 12 month total production has been less than or equal to its then-current annual production target for two (2) consecutive months.
  - 3. Without further action of the Board of Directors, Stage 2, when implemented pursuant to Rule 163-A-4, shall sunset for that Water Distribution System(s) and water use restrictions shall revert to Stage 1 when the governmental or regulatory agency rescinds the request.
  - 4. Stage 2, when implemented pursuant to Rule 163-A-5, shall sunset and water use restrictions shall revert to Stage 1 when the Board finds that a Water Supply Emergency no longer exists.

*Rule added by Ordinance No. 92 (1/28/99); amended by Ordinance No. 119 (3/21/2005); Ordinance No. 125 (9/18/2006); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); deleted by Ordinance No. 169 (2/17/2016); Rule added by Ordinance No. 169 (2/17/2016)*

**RULE 163 - STAGE 2 WATER CONSERVATION: VOLUNTARY REDUCTION IN USE**

- A. Trigger.
1. Physical Shortage Trigger (California-American Water Company Distribution Systems): Stage 2 shall take effect for all California-American Water Company Water Distribution Systems that rely, 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 ~~StorageSupply~~ Available in Table ~~XV-4XV-5~~ is below the Total ~~StorageSupply~~ Required, but at least 95 percent of Total ~~StorageSupply~~ Required. The amount of voluntary reduction shall equal the percentage shortfall in Total ~~StorageSupply~~ Required.
  2. Physical Shortage Trigger (Non-California-American Water Company Distribution Systems): Stage 2 shall take effect for any Water Distribution System, other than California-American Water Company's Water Distribution Systems, 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 ~~StorageSupply~~ Available in Table ~~XV-4XV-5~~ is below the Total ~~StorageSupply~~ Required. The amount of voluntary reduction shall equal the percentage shortfall in Total ~~StorageSupply~~ Required.
  3. Regulatory Trigger – Production Targets: Stage 2 shall take effect on the California-American Water Company Water Distribution System when the most recent 12 month California American Water production from the MPWRS is greater than the then-current annual production target as determined in Table XV-1 but no greater than 105 percent of the annual production target. The amount of voluntary reduction shall equal the percentage overage of the annual production.
  4. Regulatory Trigger – Regulatory Order: Stage 2 shall take effect in any Water Distribution System when that system is directed to reduce use by a governmental or regulatory agency. The amount of voluntary reduction shall equal the percentage directed by that governmental or regulatory agency relative to a base year determined by the governmental or regulatory agency.
  5. Emergency Trigger: Stage 2 shall take effect for any Water Distribution System, private Well, or Water User when the Board finds that a Water Supply Emergency exists for a Water Distribution System. Stage 2 shall take effect upon adoption of a Resolution of the District Board of Directors, or a declaration of a Water Supply Emergency by the Water Distribution System

Operator or a State or County entity, due to a catastrophic event. In that Resolution or declaration, there shall be a finding of an immediate need to reduce production and shall name the Water Distribution System(s) affected. The amount of voluntary reduction shall be determined by the Board, the Water Distribution System Operator, or the State or County entity.

- B. The Water Distribution System Owner or Operator shall provide notice of the amount of voluntary reduction requested to affected Water Users pursuant to Rule 161. Additional noticing and public outreach may be provided by the District at the direction of its Board of Directors.
- C. The District and its agents shall increase enforcement activities related to Water Waste prohibitions.
- D. Stage 1 shall remain in effect.
- E. Sunset.
  - 1. Without further action of the Board of Directors, Stage 2, when implemented pursuant to Rule 163-A-1 and Rule 163-A-2, shall sunset and water use restrictions shall revert to Stage 1 when remaining Total ~~StorageSupply~~ Available computed consistent with Table ~~XV-4XV-5~~ is greater than remaining Total ~~StorageSupply~~ Required for two (2) consecutive months.
  - 2. Without further action of the Board of Directors, Stage 2, when implemented pursuant to Rule 163-A-3, shall sunset for the California American Water Company and water use restrictions shall revert to Stage 1 when that Water Distribution System's 12 month total production has been less than or equal to its then-current annual production target for two (2) consecutive months.
  - 3. Without further action of the Board of Directors, Stage 2, when implemented pursuant to Rule 163-A-4, shall sunset for that Water Distribution System(s) and water use restrictions shall revert to Stage 1 when the governmental or regulatory agency rescinds the request.
  - 4. Stage 2, when implemented pursuant to Rule 163-A-5, shall sunset and water use restrictions shall revert to Stage 1 when the Board finds that a Water Supply Emergency no longer exists.

**RULE 164 - STAGE 3 WATER CONSERVATION: CONSERVATION RATES**

- A. Trigger.
1. Stage 2 Deemed Unsuccessful: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems if Stage 2 has been implemented pursuant to Rule 163-A-1 or Rule 163-A-3 and has failed to sunset after a period of six (6) months.
  2. Physical Shortage Trigger: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems on June 1, or such earlier date as may be set by the Board following the District's May Board meeting, if Total Supply Available in Table XV-5 is below 95% of Total Supply Required.
  3. Regulatory Trigger – Production Targets: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems when the most recent 12 month California American Water production from the MPWRS is greater than 105 percent of the then-current annual production target as determined in Table XV-1 and Stage 2 has not been implemented.
  4. Regulatory Trigger – Regulatory Order: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems when directed by a governmental or regulatory agency to implement Stage 3.
  5. Emergency Trigger: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems when the Board finds that a Water Supply Emergency exists and upon adoption of a Resolution of the Board of Directors, or a declaration of a Water Supply Emergency by California American Water, or by a State or County entity due to a catastrophic event. In that Resolution or declaration, there shall be a finding of an immediate need to reduce production through the imposition of Stage 3 Conservation Rates.
- B. Stages 1 and 2 shall remain in effect.
- C. If Stage 2 has not already been implemented, Stage 2 shall be triggered simultaneously with Stage 3.
- D. Thirty days prior to implementation of Stage 3, California American Water shall file to implement Level 1 Conservation Rates within its Main California-American Water Company Water Distribution System, the Bishop Water Distribution System, Hidden Hills System, and Ryan Ranch Water Distribution System and shall provide notification to its customers that such rates shall be implemented after thirty (30) days. Prior to an increase to Level 2 Conservation Rates, California American Water shall provide notification to its customers that such rates shall be implemented after thirty (30) days.

1. Level 1 Conservation Rates comprised of a 25 percent surcharge shall be implemented on the then existing rates for a minimum of three (3) months. The surcharge shall not apply to Tier 1 Residential customers.
2. Level 2 Conservation Rates comprised of a 40 percent surcharge shall be implemented on the then existing rates (without the 25 percent Level 1 surcharge) if after the imposition of Level 1 Conservation Rates for three (3) months, the monthly production in the California American Water System exceeds the monthly production target for the previous two (2) consecutive months. The surcharge shall not apply to Tier 1 Residential customers.

E. Sunset.

1. Without further action of the Board of Directors, Stage 3, when implemented pursuant to Rule 164-A-2, shall sunset and water use restrictions shall revert to Stage 1 when remaining Total Supply Available computed consistent with Table XV-5 is greater than remaining Total Supply Required for two (2) consecutive months.
2. Without further action of the Board of Directors, Stage 3, when implemented pursuant to Rule 164-A-3, shall sunset and water use restrictions shall revert to Stage 1 when the 12 month total production has been less than or equal to its then-current annual production target for two (2) consecutive months.
3. Without further action of the Board of Directors, Stage 3, when implemented pursuant to Rule 164-A-4, shall sunset and water use restrictions shall revert to Stage 1 when the governmental or regulatory agency rescinds the request and Rules 164-A-2 and 164-A-3 do not apply.
4. Stage 3, when implemented pursuant to Rule 164-A-5, shall sunset and water use restrictions shall revert to Stage 1 when the Board finds that a Water Supply Emergency no longer exists and Rules 164-A-2 and 164-A-3 do not apply.

*Rule added by Ordinance No. 92 (1/28/99); amended by Ordinance No. 119 (3/21/2005); Ordinance No. 125 (9/18/2006); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); deleted by Ordinance No. 169 (2/17/2016); Rule added by Ordinance No. 169 (2/17/2016)*

**RULE 164 - STAGE 3 WATER CONSERVATION: CONSERVATION RATES**

- A. Trigger.
1. Stage 2 Deemed Unsuccessful: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems if Stage 2 has been implemented pursuant to Rule 163-A-1 or Rule 163-A-3 and has failed to sunset after a period of six (6) months.
  2. Physical Shortage Trigger: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems on June 1, or such earlier date as may be set by the Board following the District's May Board meeting, if Total ~~StorageSupply~~ Available in Table ~~XV-4XV-5~~ is below 95% of Total ~~StorageSupply~~ Required.
  3. Regulatory Trigger – Production Targets: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems when the most recent 12 month California American Water production from the MPWRS is greater than 105 percent of the then-current annual production target as determined in Table XV-1 and Stage 2 has not been implemented.
  4. Regulatory Trigger – Regulatory Order: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems when directed by a governmental or regulatory agency to implement Stage 3.
  5. Emergency Trigger: Stage 3 shall take effect for all California-American Water Company Water Distribution Systems when the Board finds that a Water Supply Emergency exists and upon adoption of a Resolution of the Board of Directors, or a declaration of a Water Supply Emergency by California American Water, or by a State or County entity due to a catastrophic event. In that Resolution or declaration, there shall be a finding of an immediate need to reduce production through the imposition of Stage 3 Conservation Rates.
- B. Stages 1 and 2 shall remain in effect.
- C. If Stage 2 has not already been implemented, Stage 2 shall be triggered simultaneously with Stage 3.
- D. Thirty days prior to implementation of Stage 3, California American Water shall file to implement Level 1 Conservation Rates within its Main California-American Water Company Water Distribution System, the Bishop Water Distribution System, Hidden Hills System, and Ryan Ranch Water Distribution System and shall provide notification to its customers that such rates shall be implemented after thirty (30) days. Prior to an increase to Level 2 Conservation Rates, California American Water shall provide notification to its customers that such rates shall be implemented after thirty (30) days.

1. Level 1 Conservation Rates comprised of a 25 percent surcharge shall be implemented on the then existing rates for a minimum of three (3) months. The surcharge shall not apply to Tier 1 Residential customers.
2. Level 2 Conservation Rates comprised of a 40 percent surcharge shall be implemented on the then existing rates (without the 25 percent Level 1 surcharge) if after the imposition of Level 1 Conservation Rates for three (3) months, the monthly production in the California American Water System exceeds the monthly production target for the previous two (2) consecutive months. The surcharge shall not apply to Tier 1 Residential customers.

E. Sunset.

1. Without further action of the Board of Directors, Stage 3, when implemented pursuant to Rule 164-A-2, shall sunset and water use restrictions shall revert to Stage 1 when remaining Total ~~Storage~~Supply Available computed consistent with Table ~~XV-4~~XV-5 is greater than remaining Total ~~Storage~~Supply Required for two (2) consecutive months.
2. Without further action of the Board of Directors, Stage 3, when implemented pursuant to Rule 164-A-3, shall sunset and water use restrictions shall revert to Stage 1 when the 12 month total production has been less than or equal to its then-current annual production target for two (2) consecutive months.
3. Without further action of the Board of Directors, Stage 3, when implemented pursuant to Rule 164-A-4, shall sunset and water use restrictions shall revert to Stage 1 when the governmental or regulatory agency rescinds the request and Rules 164-A-2 and 164-A-3 do not apply.
4. Stage 3, when implemented pursuant to Rule 164-A-5, shall sunset and water use restrictions shall revert to Stage 1 when the Board finds that a Water Supply Emergency no longer exists and Rules 164-A-2 and 164-A-3 do not apply.

*Rule added by Ordinance No. 92 (1/28/99); amended by Ordinance No. 119 (3/21/2005); Ordinance No. 125 (9/18/2006); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); deleted by Ordinance No. 169 (2/17/2016); Rule added by Ordinance No. 169 (2/17/2016)*

**RULE 165 - STAGE 4: WATER RATIONING**

A. Trigger.

1. Stage 3 Deemed Unsuccessful (California-American Water Company Distribution Systems): Stage 4 shall take effect for all California-American Water Company Water Distribution Systems if Stage 3 has been implemented and has failed to sunset after a period of 8 months.
2. Physical Shortage Trigger. Stage 3 Deemed Unsuccessful for California-American Water Company Distribution Systems and Stage 2 Deemed Unsuccessful for Non-California American Water Systems: Stage 4 shall 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 if Stage 2 (Non-California-American Water Company Water Distribution Systems, private Wells, or Water Users) and Stage 3 (California-American Water Company Distribution Systems) have been implemented and have failed to sunset after a period of eight (8) months.
3. Regulatory Trigger: Stage 4 shall take effect in any Water Distribution System when that system is directed by a governmental or regulatory agency to enact Stage 4.
4. Emergency Trigger: Stage 4 shall take effect for any Water Distribution System, private Well, or Water User when the Board finds that a Water Supply Emergency exists and upon adoption of a Resolution of the Board of Directors, or a declaration of a Water Supply Emergency by the Company, or a State or County entity, due to a catastrophic event. In that Resolution or declaration, there shall be a finding of an immediate need to reduce production through the imposition of Stage 4 Water Rationing.
5. Stage 4 shall not be triggered if the General Manager determines upon credible evidence that the production targets associated with a final Cease and Desist Order are likely to be met by adhering to the requirements of a lesser Stage. The General Manager shall record this determination and any amendment thereto, by memorandum which may be appealed to the Board in accord with Regulation VII, Appeals.
6. Delay of Stage Implementation. The Board may delay implementation of Stage 4 Water Rationing for any Water Distribution System to ensure adequate operation of the program. Delays authorized by the Board shall not exceed sixty (60) days.

B. Amount of Reduction.

1. The amount of mandatory reduction shall equal the shortfall in Total Storage

Available as compared to the Total Supply Required; or

2. The amount of mandatory reduction shall equal the overage of the last 12 months actual production as compared to the then-current annual production target; or
  3. The amount of mandatory reduction shall equal some other amount as reflected in a governmental or regulatory order.
- C. Stages 1, 2, and 3 (if applicable) shall remain in effect.
- D. Additional Prohibitions.
1. The Board shall consider prohibiting all or specific Non-Essential Water Uses. The Board may enact such prohibitions by Resolution.
  2. California American Water shall maintain Non-Revenue Water at or below seven (7) percent.
  3. Moratorium. Upon implementation of Stage 4, the Board shall declare a moratorium on accepting Water Permit applications within the affected Water Distribution System other than those applications that rely upon a Water Credit, Water Use Credit, or Water Use Permit. The Board may amend the moratorium to include the use of Water Credits and/or Water Use Credits if warranted. All pending Water Permits not issued within 120 days of declaration shall be suspended. Water Use Permits shall be exempt from any moratorium on Water Permits.
  4. No New Potable Water Service: Upon declaration of Stage 4 Water Rationing, no new Potable water service will be provided, no new temporary Water Meters or permanent Water Meters will be provided, and no statements of immediate ability to serve or provide Potable water service (e.g. will-serve letters, certificates, or letters of availability) will be issued by the Water Distribution System Operator, except under the following circumstances:
    - a. The project is necessary to protect the public health, safety, or welfare;
    - b. The setting of meters in the California-American Water Company Water Distribution System shall not be terminated or diminished by reason of any water emergency, water moratorium or other curtailment on the setting of meters for holders of Water Use Permits;
    - c. This provision does not preclude the resetting or turn-on of Water Meters to provide continuation of water service or the restoration of service that has been interrupted for a period of one year or less.

5. No New Annexations: Upon the declaration of a Stage 4, California-American Water Company will suspend annexations to its Service Area. This subsection does not apply to boundary corrections and annexations that will not result in any increased use of water, or annexations required by a regulatory agency.
  6. Customers utilizing portable Water Meters or hydrant Water Meters or using hydrants to fill water tanks without the use of a Water Meter, shall be required to cease use of the water, except upon prior approval of the General Manager. Portable Water Meters shall be returned to the Water Distribution System at least thirty (30) days before the implementation of Stage 4.
  7. Draining and refilling of swimming pools or spas except: (a) to prevent or correct structural damage or to comply with public health regulations, or (b) upon prior approval of the General Manager.
  8. Restriction on Watering or Irrigating: Watering or irrigating of Lawn, landscape or other vegetated area with Potable water will be subject to restriction at the direction of the District. This restriction does not apply to the following categories of use, or where the District has determined that recycled Non-Potable Water is available and may be applied to the use:
    - a. Businesses dependent on watering or irrigating in the course of business such as agriculture, nursery, and similar uses;
    - b. Maintenance of existing landscaping necessary for fire protection;
    - c. Maintenance of existing landscaping for soil erosion control;
    - d. Maintenance of plant materials identified to be rare or essential to the well-being of protected species;
    - e. Maintenance of landscaping within active Public parks and playing fields, Day Care Centers and school grounds, provided that such irrigation does not exceed one (1) day per week;
    - f. Actively irrigated environmental mitigation projects.
- E. Residential Rations.
1. Upon adoption of a Resolution by the Board for a specific reduction in Residential water use, daily Household Water Rations shall be set at a level to achieve the necessary reduction. In no case shall daily Household Water Rations be less than 90 gallons per Household. This shall be known as the Minimum Daily Water Ration.

Where two or more Households are served by a Master Meter, it shall be the responsibility of the Water Users to divide the Water Rations among the Water Users.

2. Additional Water Rations for Large Households:

Where four or more Permanent Residents occupy a single Household served by one Water Meter, the Minimum Daily Water Ration may be increased by the amounts listed below:

	Residential Household Gallons per Day
Fourth Permanent Resident	30
Fifth Permanent Resident	25
Sixth Permanent Resident	20
Seven or More Permanent Residents (Per Additional Resident)	15

3. Procedure for Obtaining Additional Water Rations for Large Households:

- a. The Applicant shall complete a Residency Affidavit (obtained from the District) that requests the name, age and verification of full-time Permanent Residents for each resident in the Household for which the additional Water Ration is requested. The information on the application shall be presented under penalty of perjury. The additional Water Ration request shall be submitted to the General Manager, who will approve or disapprove the request within 10 business days of submission of a completed application.
- b. If the application is disapproved, the General Manager will explain in writing the reason for the disapproval, and if the Applicant is not satisfied with the decision of the General Manager, the Applicant may appeal the General Manager’s decision to the Board of Directors.

4. Procedure for Obtaining Additional Water Rations Where Two or More Households are Served by a Master Meter:

- a. The Applicant must fill out the required form that lists the number of Residences served by the Master Meter and submit a use permit issued by the Jurisdiction for the Multi-Residential Dwelling Units served by the

Master Meter. The District shall retain the right to require Residency Affidavits to determine the appropriate Water Rations. The additional Water Ration request shall be submitted to the General Manager, who will approve or disapprove the request within 10 business days of submission of a completed application. The Application shall be submitted under penalty of perjury.

- b. If the application is disapproved, the General Manager will explain in writing the reason for the disapproval, and if the Applicant is not satisfied with the decision of the General Manager, the Applicant may appeal the General Manager's decision to the Board of Directors.
5. Additional Water Ration for Special Needs. Where more water than allowed in Sections 3 or 4 above is necessary to preserve the health or safety of a Household, the General Manager may increase the Water Ration during the period of need according to the needs of the Applicant.
  - a. The Applicant or his or her representative may file a request for an additional Water Ration and shall state to the General Manager: (1) the amount of the requested additional Water Ration, and (2) a general statement in support of the need. Where appropriate, Applicant shall provide a letter from a medical doctor stating the need for additional water usage and projected amount and duration of that need, if possible, or other appropriate justification for the special need.
  - b. Additional Water Rations shall require the replacement of inefficient water fixtures to comply with Rule 142-E, Residential and Non-Residential Change of Ownership, Change of Use, and Expansion of Use Water Efficiency Standards.
  - c. Additional Water Rations shall require the Connection have a working Pressure Regulating Valve that maintains water pressure at a maximum of 60 psi.
  - d. If the General Manager does not approve an additional Water Ration, the Applicant may appeal to the Board. An appeal from the General Manager's decision must contain all of the following: (a) a copy of the original application; (b) a copy of the written explanation of the General Manager's decision; and (c) a written explanation of why the Applicant believes the decision should be changed.
6. Misrepresentation. Any Water User intentionally over-reporting the number of Permanent Residents in a Household 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, as well as fines

and penalties set forth in this Regulation. During this Stage 4, whenever there is a change in the number of Permanent Residents, the Water User shall notify the District.

F. Non-Residential Water Rations.

1. If Residential Water Rationing does not achieve measurable results as expected after a period of six (6) months, upon adoption of a Resolution by the Board for a specific reduction in Non-Residential water use, Non-Residential Water Rations shall be implemented at a level to achieve the necessary reduction in use.
2. Non-Residential Water Rations shall be determined by selection by the District of a previous year for which Stages 2, 3, or 4 Conservation or Rationing was not in place and then reducing each month's water use by a percentage determined by the District to achieve the Non-Residential reduction in use. Where a previous year history is deemed to be unavailable or inappropriate by the District, a Non-Residential Water Ration shall be established by the District based on type of Non-Residential water use, building design, and water fixtures.
3. Exemptions: In the Resolution to implement a level of Non-Residential Rationing, the Board shall include an exemption for compliance with District Rule 143 and an exemption for a Non-Residential establishment whose business requires water in the course of its business practice (e.g. laundromats, nurseries, among others).
4. An Applicant or his or her representative may file a request for an additional Water Ration. The Applicant shall state in a letter to the General Manager: (1) the amount of the requested additional Water Ration, and (2) a general statement in support of the need.
5. Additional Water Rations shall require the Connection have a working Pressure Regulating Valve that maintains water pressure at a maximum of 60 psi.
6. If the request for an additional Water Ration is disapproved, the General Manager will explain in writing the reason for the disapproval, and if the Applicant is not satisfied with the decision of the General Manager, the Applicant may appeal to the Board of Directors for a hearing.

G. 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 by California American Water separately from other Non-Revenue Water.

- H. CAWD/PBCSD Wastewater Reclamation Project Recycled Water Users. Recycled Water Irrigation Areas receiving water from the CAWD/PBCSD Wastewater Reclamation Project shall be subject to Stage 4 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.
1. 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.
  2. 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 Water 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.
  3. 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 Stage 4, 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.
  4. 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.
  5. If the District 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.

6. 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.
7. 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 section shall yield as necessary to respond to the conditions giving rise to the declaration or proclamation.

I. Sunset.

1. Without further action of the Board of Directors, Stage 4, when implemented due to non-compliance with regulatory targets, shall sunset for all California-American Water Company Water Distribution Systems and water use restrictions shall revert to Stage 1 when the 12 month total production has been less than or equal to its then-current annual production target for two (2) consecutive months.
2. Physical Shortage Trigger: Without further action of the Board of Directors, Stage 4 shall sunset and water use restrictions shall revert to Stage 1 when remaining Total Supply Available computed consistent with Table XV-5 is greater than remaining Total Supply Required for two (2) consecutive months.
3. Regulatory Trigger: Without further action of the Board of Directors, Stage 4 shall sunset for that Water Distribution System(s) and water use restrictions shall revert to Stage 1 when the governmental or regulatory agency rescinds the request.
4. Emergency Trigger: Stage 4 shall sunset and water use restrictions shall revert to Stage 1 when the Board finds that a Water Supply Emergency no longer exists.
5. Restoration of Lower Stage. A Resolution causing the sunset of one or more provisions 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.

*Added by Ordinance No. 92 (1/28/99); amended by Ordinance No. 119 (3/21/2005); Ordinance No. 125 (9/18/2006); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); Ordinance No. 142 (1/28/2010); deleted by Ordinance No. 169 (2/17/2016); Rule added by Ordinance No. 169 (2/17/2016); Ordinance No. 177 (9/18/2017)*

**RULE 165 - STAGE 4: WATER RATIONING**

A. Trigger.

1. Stage 3 Deemed Unsuccessful (California-American Water Company Distribution Systems): Stage 4 shall take effect for all California-American Water Company Water Distribution Systems if Stage 3 has been implemented and has failed to sunset after a period of 8 months.
2. Physical Shortage Trigger. Stage 3 Deemed Unsuccessful for California-American Water Company Distribution Systems and Stage 2 Deemed Unsuccessful for Non-California American Water Systems: Stage 4 shall 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 if Stage 2 (Non-California-American Water Company Water Distribution Systems, private Wells, or Water Users) and Stage 3 (California-American Water Company Distribution Systems) have been implemented and have failed to sunset after a period of eight (8) months.
3. Regulatory Trigger: Stage 4 shall take effect in any Water Distribution System when that system is directed by a governmental or regulatory agency to enact Stage 4.
4. Emergency Trigger: Stage 4 shall take effect for any Water Distribution System, private Well, or Water User when the Board finds that a Water Supply Emergency exists and upon adoption of a Resolution of the Board of Directors, or a declaration of a Water Supply Emergency by the Company, or a State or County entity, due to a catastrophic event. In that Resolution or declaration, there shall be a finding of an immediate need to reduce production through the imposition of Stage 4 Water Rationing.
5. Stage 4 shall not be triggered if the General Manager determines upon credible evidence that the production targets associated with a final Cease and Desist Order are likely to be met by adhering to the requirements of a lesser Stage. The General Manager shall record this determination and any amendment thereto, by memorandum which may be appealed to the Board in accord with Regulation VII, Appeals.
6. Delay of Stage Implementation. The Board may delay implementation of Stage 4 Water Rationing for any Water Distribution System to ensure adequate operation of the program. Delays authorized by the Board shall not exceed sixty (60) days.

B. Amount of Reduction.

1. The amount of mandatory reduction shall equal the shortfall in Total Storage

Available as compared to the Total ~~Storage~~Supply Required; or

2. The amount of mandatory reduction shall equal the overage of the last 12 months actual production as compared to the then-current annual production target; or
  3. The amount of mandatory reduction shall equal some other amount as reflected in a governmental or regulatory order.
- C. Stages 1, 2, and 3 (if applicable) shall remain in effect.
- D. Additional Prohibitions.
1. The Board shall consider prohibiting all or specific Non-Essential Water Uses. The Board may enact such prohibitions by Resolution.
  2. California American Water shall maintain Non-Revenue Water at or below seven (7) percent.
  3. Moratorium. Upon implementation of Stage 4, the Board shall declare a moratorium on accepting Water Permit applications within the affected Water Distribution System other than those applications that rely upon a Water Credit, Water Use Credit, or Water Use Permit. The Board may amend the moratorium to include the use of Water Credits and/or Water Use Credits if warranted. All pending Water Permits not issued within 120 days of declaration shall be suspended. Water Use Permits shall be exempt from any moratorium on Water Permits.
  4. No New Potable Water Service: Upon declaration of Stage 4 Water Rationing, no new Potable water service will be provided, no new temporary Water Meters or permanent Water Meters will be provided, and no statements of immediate ability to serve or provide Potable water service (e.g. will-serve letters, certificates, or letters of availability) will be issued by the Water Distribution System Operator, except under the following circumstances:
    - a. The project is necessary to protect the public health, safety, or welfare;
    - b. The setting of meters in the California-American Water Company Water Distribution System shall not be terminated or diminished by reason of any water emergency, water moratorium or other curtailment on the setting of meters for holders of Water Use Permits;
    - c. This provision does not preclude the resetting or turn-on of Water Meters to provide continuation of water service or the restoration of service that has been interrupted for a period of one year or less.

5. No New Annexations: Upon the declaration of a Stage 4, California-American Water Company will suspend annexations to its Service Area. This subsection does not apply to boundary corrections and annexations that will not result in any increased use of water, or annexations required by a regulatory agency.
  6. Customers utilizing portable Water Meters or hydrant Water Meters or using hydrants to fill water tanks without the use of a Water Meter, shall be required to cease use of the water, except upon prior approval of the General Manager. Portable Water Meters shall be returned to the Water Distribution System at least thirty (30) days before the implementation of Stage 4.
  7. Draining and refilling of swimming pools or spas except: (a) to prevent or correct structural damage or to comply with public health regulations, or (b) upon prior approval of the General Manager.
  8. Restriction on Watering or Irrigating: Watering or irrigating of Lawn, landscape or other vegetated area with Potable water will be subject to restriction at the direction of the District. This restriction does not apply to the following categories of use, or where the District has determined that recycled Non-Potable Water is available and may be applied to the use:
    - a. Businesses dependent on watering or irrigating in the course of business such as agriculture, nursery, and similar uses;
    - b. Maintenance of existing landscaping necessary for fire protection;
    - c. Maintenance of existing landscaping for soil erosion control;
    - d. Maintenance of plant materials identified to be rare or essential to the well-being of protected species;
    - e. Maintenance of landscaping within active Public parks and playing fields, Day Care Centers and school grounds, provided that such irrigation does not exceed one (1) day per week;
    - f. Actively irrigated environmental mitigation projects.
- E. Residential Rations.
1. Upon adoption of a Resolution by the Board for a specific reduction in Residential water use, daily Household Water Rations shall be set at a level to achieve the necessary reduction. In no case shall daily Household Water Rations be less than 90 gallons per Household. This shall be known as the Minimum Daily Water Ration.

Where two or more Households are served by a Master Meter, it shall be the responsibility of the Water Users to divide the Water Rations among the Water Users.

2. Additional Water Rations for Large Households:

Where four or more Permanent Residents occupy a single Household served by one Water Meter, the Minimum Daily Water Ration may be increased by the amounts listed below:

	Residential Household Gallons per Day
Fourth Permanent Resident	30
Fifth Permanent Resident	25
Sixth Permanent Resident	20
Seven or More Permanent Residents (Per Additional Resident)	15

3. Procedure for Obtaining Additional Water Rations for Large Households:

- a. The Applicant shall complete a Residency Affidavit (obtained from the District) that requests the name, age and verification of full-time Permanent Residents for each resident in the Household for which the additional Water Ration is requested. The information on the application shall be presented under penalty of perjury. The additional Water Ration request shall be submitted to the General Manager, who will approve or disapprove the request within 10 business days of submission of a completed application.
- b. If the application is disapproved, the General Manager will explain in writing the reason for the disapproval, and if the Applicant is not satisfied with the decision of the General Manager, the Applicant may appeal the General Manager’s decision to the Board of Directors.

4. Procedure for Obtaining Additional Water Rations Where Two or More Households are Served by a Master Meter:

- a. The Applicant must fill out the required form that lists the number of Residences served by the Master Meter and submit a use permit issued by the Jurisdiction for the Multi-Residential Dwelling Units served by the

Master Meter. The District shall retain the right to require Residency Affidavits to determine the appropriate Water Rations. The additional Water Ration request shall be submitted to the General Manager, who will approve or disapprove the request within 10 business days of submission of a completed application. The Application shall be submitted under penalty of perjury.

- b. If the application is disapproved, the General Manager will explain in writing the reason for the disapproval, and if the Applicant is not satisfied with the decision of the General Manager, the Applicant may appeal the General Manager's decision to the Board of Directors.
5. Additional Water Ration for Special Needs. Where more water than allowed in Sections 3 or 4 above is necessary to preserve the health or safety of a Household, the General Manager may increase the Water Ration during the period of need according to the needs of the Applicant.
- a. The Applicant or his or her representative may file a request for an additional Water Ration and shall state to the General Manager: (1) the amount of the requested additional Water Ration, and (2) a general statement in support of the need. Where appropriate, Applicant shall provide a letter from a medical doctor stating the need for additional water usage and projected amount and duration of that need, if possible, or other appropriate justification for the special need.
  - b. Additional Water Rations shall require the replacement of inefficient water fixtures to comply with Rule 142-E, Residential and Non-Residential Change of Ownership, Change of Use, and Expansion of Use Water Efficiency Standards.
  - c. Additional Water Rations shall require the Connection have a working Pressure Regulating Valve that maintains water pressure at a maximum of 60 psi.
  - d. If the General Manager does not approve an additional Water Ration, the Applicant may appeal to the Board. An appeal from the General Manager's decision must contain all of the following: (a) a copy of the original application; (b) a copy of the written explanation of the General Manager's decision; and (c) a written explanation of why the Applicant believes the decision should be changed.
6. Misrepresentation. Any Water User intentionally over-reporting the number of Permanent Residents in a Household 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, as well as fines

and penalties set forth in this Regulation. During this Stage 4, whenever there is a change in the number of Permanent Residents, the Water User shall notify the District.

F. Non-Residential Water Rations.

1. If Residential Water Rationing does not achieve measurable results as expected after a period of six (6) months, upon adoption of a Resolution by the Board for a specific reduction in Non-Residential water use, Non-Residential Water Rations shall be implemented at a level to achieve the necessary reduction in use.
2. Non-Residential Water Rations shall be determined by selection by the District of a previous year for which Stages 2, 3, or 4 Conservation or Rationing was not in place and then reducing each month's water use by a percentage determined by the District to achieve the Non-Residential reduction in use. Where a previous year history is deemed to be unavailable or inappropriate by the District, a Non-Residential Water Ration shall be established by the District based on type of Non-Residential water use, building design, and water fixtures.
3. Exemptions: In the Resolution to implement a level of Non-Residential Rationing, the Board shall include an exemption for compliance with District Rule 143 and an exemption for a Non-Residential establishment whose business requires water in the course of its business practice (e.g. laundromats, nurseries, among others).
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- G. 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 by California American Water separately from other Non-Revenue Water.

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  3. 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 Stage 4, 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.
  4. 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.
  5. If the District 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.

6. 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.
7. 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 section shall yield as necessary to respond to the conditions giving rise to the declaration or proclamation.

I. Sunset.

1. Without further action of the Board of Directors, Stage 4, when implemented due to non-compliance with regulatory targets, shall sunset for all California-American Water Company Water Distribution Systems and water use restrictions shall revert to Stage 1 when the 12 month total production has been less than or equal to its then-current annual production target for two (2) consecutive months.
2. Physical Shortage Trigger: Without further action of the Board of Directors, Stage 4 shall sunset and water use restrictions shall revert to Stage 1 when remaining Total ~~StorageSupply~~ Available computed consistent with Table ~~XXV-4XV-5~~ is greater than remaining Total ~~StorageSupply~~ Required for two (2) consecutive months.
3. Regulatory Trigger: Without further action of the Board of Directors, Stage 4 shall sunset for that Water Distribution System(s) and water use restrictions shall revert to Stage 1 when the governmental or regulatory agency rescinds the request.
4. Emergency Trigger: Stage 4 shall sunset and water use restrictions shall revert to Stage 1 when the Board finds that a Water Supply Emergency no longer exists.
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