

**ORDINANCE NO. 78**

**AN ORDINANCE OF THE  
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
SETTING NEW WATER USE FEES  
TO FINANCE THE NEW LOS PADRES WATER SUPPLY PROJECT  
AND MODIFYING COLLECTION OF EXISTING FEES**

**FINDINGS**

1. The Monterey Peninsula Water Management District is charged by the Monterey Peninsula Water Management District Law to integrate management of the water resources of the Monterey Peninsula.
2. At this time there is a limited quantity of water available for use which may be produced annually from the Monterey Peninsula Water Resource System given the need to protect in-stream fish and wildlife resources, protect riparian resources, assure adequate drought protection, and prevent seawater intrusion. These water limits have been given extended review, and result from the recent decision of the State Water Resources Control Board in its decision on the Carmel River Hearings.
3. In order to increase water supplies, the Water Management District Board has formed an Improvement Zone and has proposed the New Los Padres Water Supply Project. This project increases water available in the Monterey Peninsula Water Resource System, and protects in-stream fish and wildlife resources, protects riparian resources, and assures adequate drought protection for the Monterey Peninsula. The New Los Padres Water Supply Project is specifically described in the District Engineer's Report, and environmental impacts of the project are specifically described in the certified New Los Padres Water Supply Project EIR.
4. In selecting the New Los Padres Water Supply Project, the Board adopted the least environmentally damaging practicable water supply alternative, and selected mitigation measures to balance social, economic, housing interests, and the needs of the citizens of the Water Management District.
5. The New Los Padres Water Supply Project shall be submitted to the voters at the November 7, 1995 election. If approved at that election, the Water Management District shall be authorized to proceed with the project and to issue revenue bonds for that work in an amount not to exceed \$116.5 million. This ordinance shall create a new fee upon water use to provide revenues needed to plan and design the New Los Padres Water Supply Project, and to pay interest and principal resulting from the issuance of project revenue bonds.

6. This Ordinance shall enact a new water use fee calculated at \$0.87 for each unit (748 gallons) of metered water use. A similar charge shall be made to each water distribution system of fifty (50) connections or more which derives its source of supply from the Monterey Peninsula Water Resource System.

7. District Ordinance No. 55 established a user fee on the Cal-Am water bill to meet the requirements of water conservation and ameliorate environmental impacts caused by water production during the period before the New Los Padres Water Supply Project can be completed. Those programs provide direct and tangible benefits to water consumers, avoid the specter of water rights litigation, and affect the required programs of the Water Allocation Program. District Ordinance No. 58 adjusted the user fee for these programs effective October 1, 1991. This Ordinance shall continue collection of the user fee described above as a surcharge on each water user's total California American water bill, and add a water use fee calculated at \$0.87 for each unit (748 gallons) of metered water use. A similar charge shall be made to each water distribution system of fifty (50) connections or more which derives its source of supply from the Monterey Peninsula Water Resource System.

8. This ordinance shall take effect only if the New Los Padres Water Supply Project is authorized by the electorate. In the event the voters do not authorize that project at the November 7, 1995 election, this ordinance shall not have any effect, and shall be null and void. In that instance, the water use fee established under Ordinance No. 58, as modified, and in place on the date of consideration of this ordinance, shall remain in force and be unaffected by this ordinance.

9. Collection of water use fees pursuant to this ordinance shall begin on each water bill issued on or after January 1, 1996.

**THEREFORE, BE IT ORDAINED**, by the Board of Directors of the Monterey Peninsula Water Management District as follows:

**SECTION ONE: PURPOSE**

This ordinance shall implement user fees to pay costs and repay bonded indebtedness (principal and interest) for the New Los Padres Water Supply Project. User fees authorized by this ordinance shall begin on each water bill issued on or after January 1, 1996, but shall take effect only if the New Los Padres Water Supply Project is authorized by the electorate.

**SECTION TWO: WATER USERS AFFECTED**

The water use fees enacted or modified by this ordinance shall apply to all water distribution systems and water users deriving their source of water from the Monterey Peninsula Water Resource System:

- California-American (Cal-Am) Water Company, and all Cal-Am sub-units including, Rancho Fiesta Mutual, and Water West systems, with the exceptions of Carmel Valley Mutual and Ryan Ranch.
- Canada Woods Water Company
- Carmel Valley Road II
- Carmel Greens Agricultural
- Chaney/Schaffer
- Fair Weather
- Good Neighbor
- Jones/Areias
- Old River Ranch
- Rancho San Carlos Road
- Riverside RV Park
- Schut/Jones
- Seaside Municipal
- Selle
- Clark-Wells Fargo
- Sleepy Hollow (potable)
- any water system which derives its source of supply from one or more subunits of the Monterey Peninsula Water Resource System.

### **SECTION THREE: WATER USERS NOT AFFECTED**

The water use fees enacted or modified by this ordinance shall not apply to the following water distribution systems or water users which do not derive their source of water from the Monterey Peninsula Water Resource System:

- Agua Fresca
- Bishop Water Company
- Bosso

- CAWD/PBCSD Wastewater Reclamation System
- Cachagua Road 1
- Cachagua Road II
- Country Club Road
- Dollase
- Hanover/Monterra
- Jensen Mobile Home
- Los Ranchitos de Aguajitos
- Los Robles Road
- MPRPD/Hitchcock
- Nason Road
- P & M Ranch
- Prince's Camp
- Saddle Mountain
- Schulte Road
- Sleepy Hollow (sub-potable)
- SPCA
- Tao Woods Mutual
- any water system which derives 100% of its source of supply from water resources other than the Monterey Peninsula Water Resource System.

**SECTION FOUR: IMPOSE NEW LOS PADRES WATER USE FEE**

With respect to each water distribution system listed in Section Two above, this Ordinance shall authorize collection of a water use fee in the amount of \$0.87 per unit of water sold to pay costs and bonded indebtedness (principal and interest) required for the New Los Padres Water Supply Project. The General Manager shall cause a similar charge to be made to consumers of district water distribution systems of fifty (50) connections or more in a manner to distribute the charge equitably among water users based upon quantity of water use. Although water delivered for line flushing or other non-revenue purposes shall in general be exempt from this fee, this fee

shall nonetheless be assessed for each unit of water upon which the distribution system imposes its own user fee. For water distribution systems listed in Section Two above having less than fifty (50) connections the General Manager may impose a charge directly upon the system in lieu of a charge upon the consumers of that system, and further, for systems having 4 or fewer connections, the General Manager may waive any charge upon either the system or upon the consumers of that system if the costs associated with the administration or collection of that charge exceed the revenues derived from its imposition.

Beginning in 1997 and each year thereafter, the fee established by this ordinance shall increase by an amount to be determined by the Board of Directors but, in any case, shall not increase more than the annual change as measured by the San Francisco, Oakland, San Jose, All Urban Consumers Index published by the Department of Labor for the month of April.

#### **SECTION FIVE: RELATIONSHIP TO EXISTING WATER USE FEE**

With respect to each water distribution system listed in Section Two above, the user fee authorized by this ordinance shall be in addition to the existing user fee of 7.125 percent of the water bill created by Ordinance Numbers 58, 61 and 67. That fee was established to fund costs of water conservation, and programs to ameliorate environmental impacts caused by water production during the period before the New Los Padres Water Supply Project could be completed.

#### **SECTION SIX: EFFECTIVE DATE AND SUNSET DATE**

This ordinance shall take effect only if the New Los Padres Water Supply Project is authorized by the electorate. In the event the voters do not authorize that project at the November 7, 1995 election, this ordinance shall have no effect, and shall be null and void.

Collection of water use fees pursuant to this ordinance shall begin on each water bill issued on or after January 1, 1996.

Fees collected pursuant to this ordinance shall not exceed the costs and bonded indebtedness (principal and interest) required for the New Los Padres Water Supply Project.

#### **SECTION SEVEN: CONJUNCTIVE APPLICATION**

The provisions of this ordinance are intended to complement and to be read conjunctively with the Rules and Regulations and other ordinances of the Water Management District. All definitions used in the District Rules and Regulations shall apply to this ordinance.

#### **SECTION EIGHT: SEVERABILITY**

If any section, sub-section, sentence, clause, or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this

ordinance. The Board of Directors hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, sub-sections, sentences, clauses, or phrases may be declared invalid.

**SECTION NINE: PUBLICATION**

The provisions of this ordinance shall not be published as part of the Rules and Regulations of the Water Management District.

On motion of Director Heuer and second by Director Hughes, the foregoing ordinance is duly passed this 21st day of August, 1995, by the following votes:

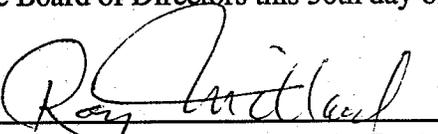
AYES: Directors Farina, Burkleo, Heuer, Hughes, Karas and Pendergrass

NAYS: Director Haddad

ABSENT: None

I, Ray Millard, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a full, true and correct copy of an ordinance passed on the 21st day of August, 1995.

Witness my hand and seal of the Board of Directors this 30th day of October, 1995.

  
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Ray Millard, Secretary to the Board