

Presented at 10/10/19 Ordinance No. 152 Oversight Panel meeting in response to questions from panel members during discussion of agenda item 2.



Supplies and Demands for Water on the Monterey Peninsula

Item 9

September 16, 2019



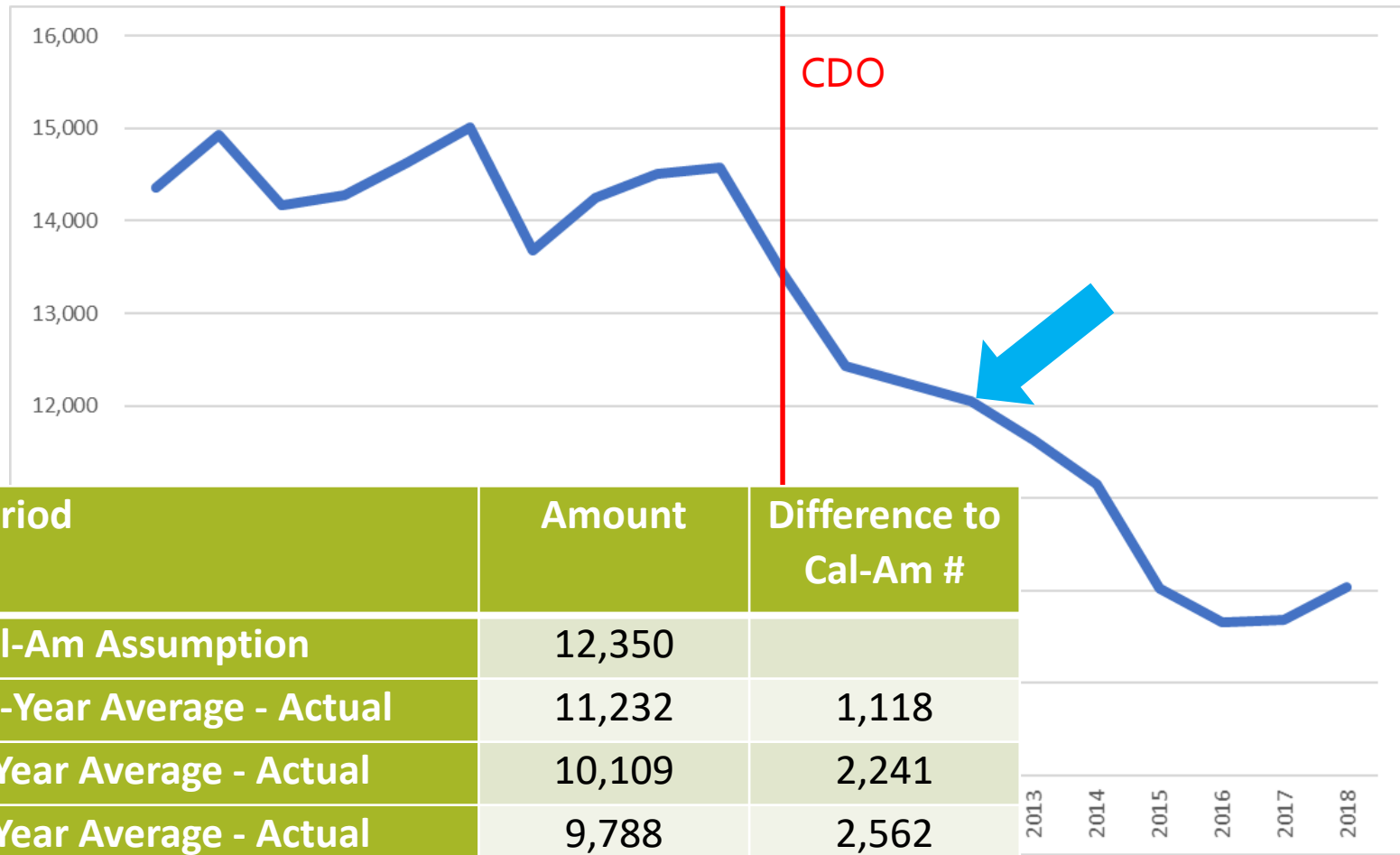
Calculation of Water Supply Available

Supply Source	w/ Desalination	w/ PWM Expansion
MPWSP Desalination Plant	6,252 AF	0 AF
Pure Water Monterey	3,500	3,500
PWM Expansion	0	2,250
Carmel River	3,376	3,376
Seaside Basin	774	774
Aquifer Storage & Recovery (ASR)	1,300	1,300
Sand City Desalination Plant	94	94
Total Available Supply	15,296	11,294
Other Available Supplies	406	406
Total Available Supply w/Other	15,702	11,700

Water Demand Assumed in Desal Plant Sizing

Demand Component	Acre-Feet Annually
Average Current Customer Demand	13,290
Legal Lots of Record	1,181
Tourism Bounce-Back	500
Pebble Beach Buildout	325
Total Water Demand	15,296

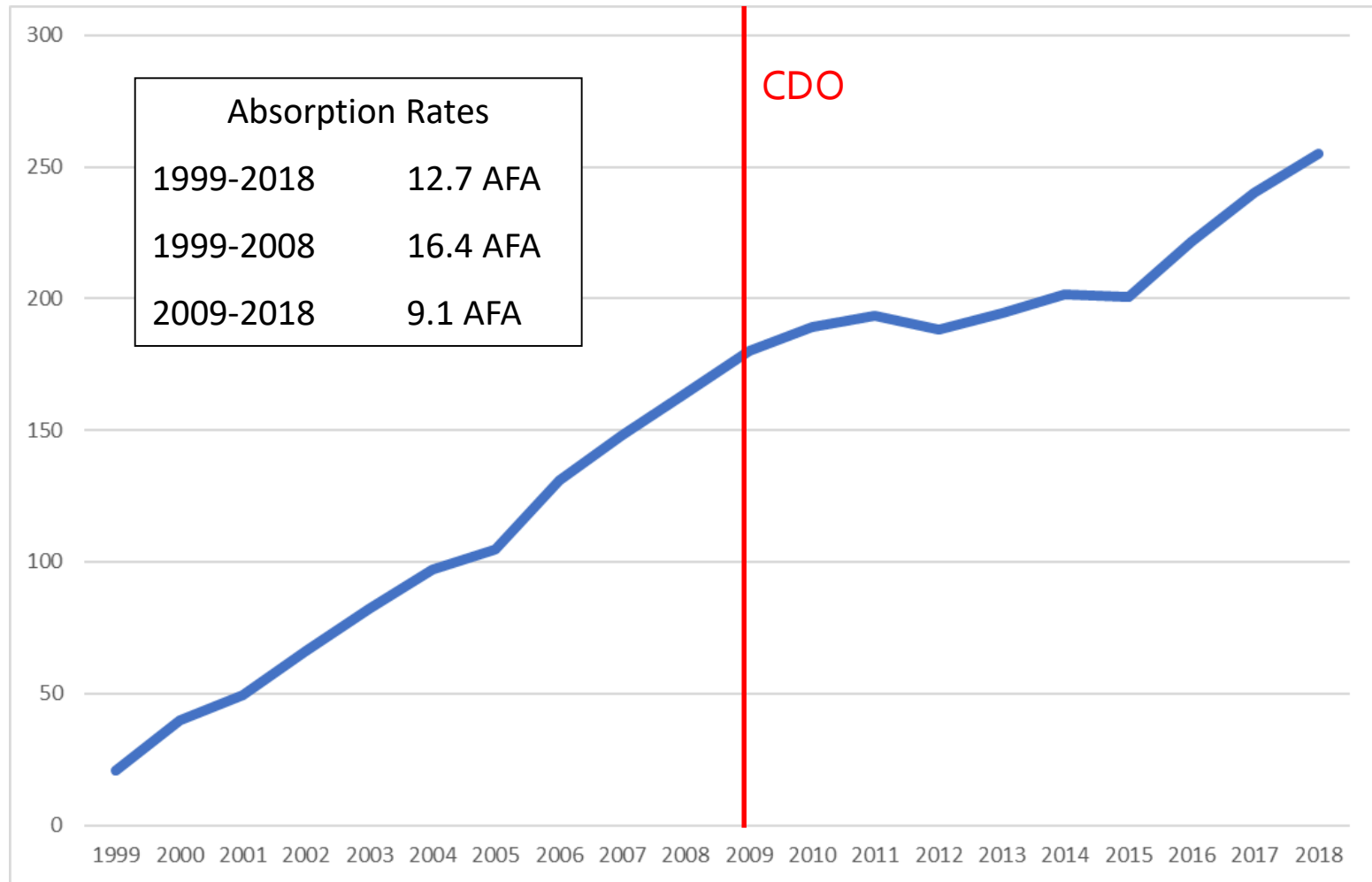
Annual Production for Customer Service = Demand



Adjustments to 2012 Demand Assumptions

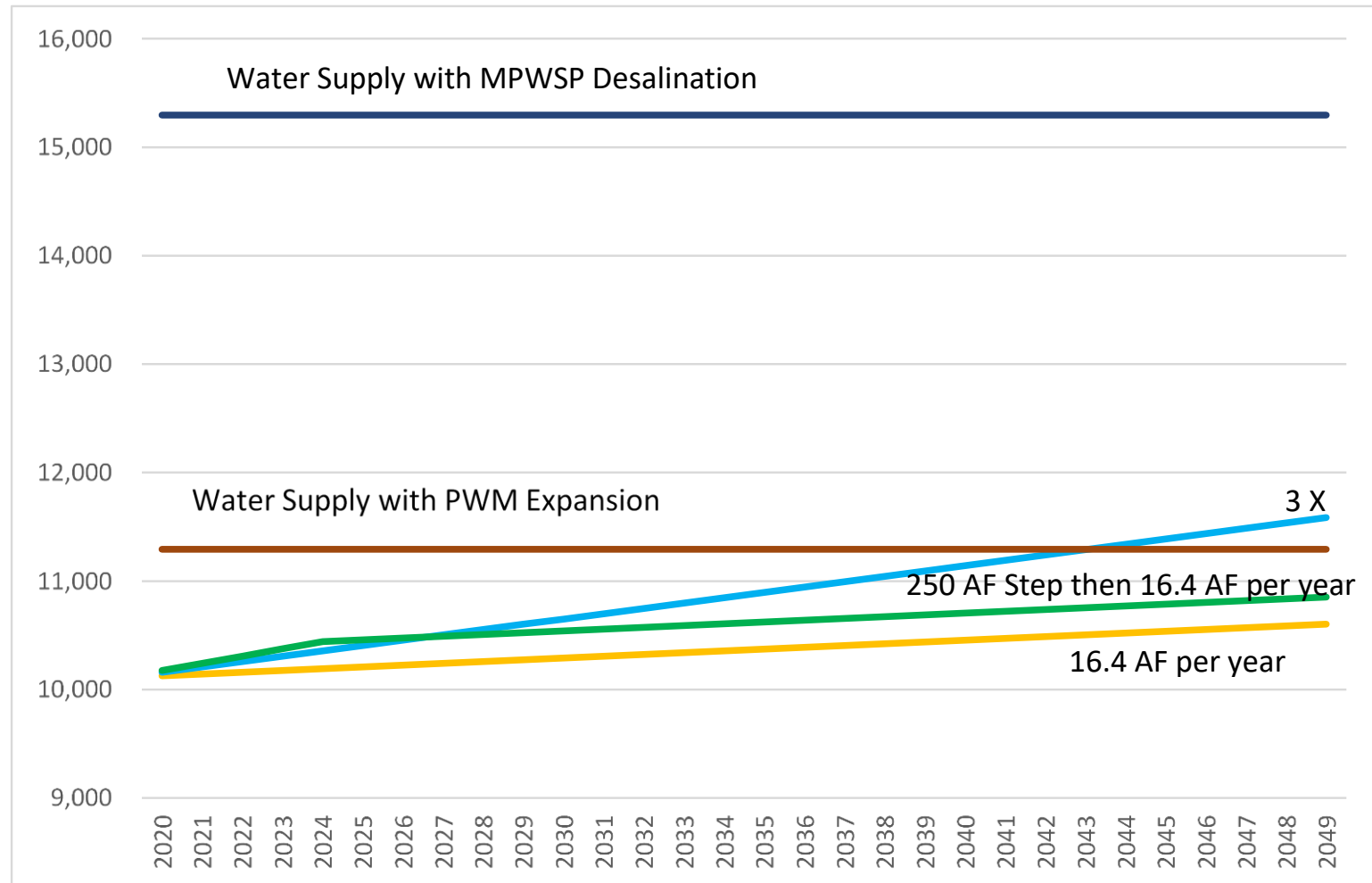
Demand Component	Current Project	Revised High	Revised Low
Average Current Customer Demand	13,290	11,232	9,788
Legal Lots of Record	1,181	1,014	864
Tourism Bounce-Back	500	250	100
Pebble Beach Buildout	325	160	103
Total Water Demand	15,296	12,656	10,855

Market Absorption of Water Demand – 20 Years

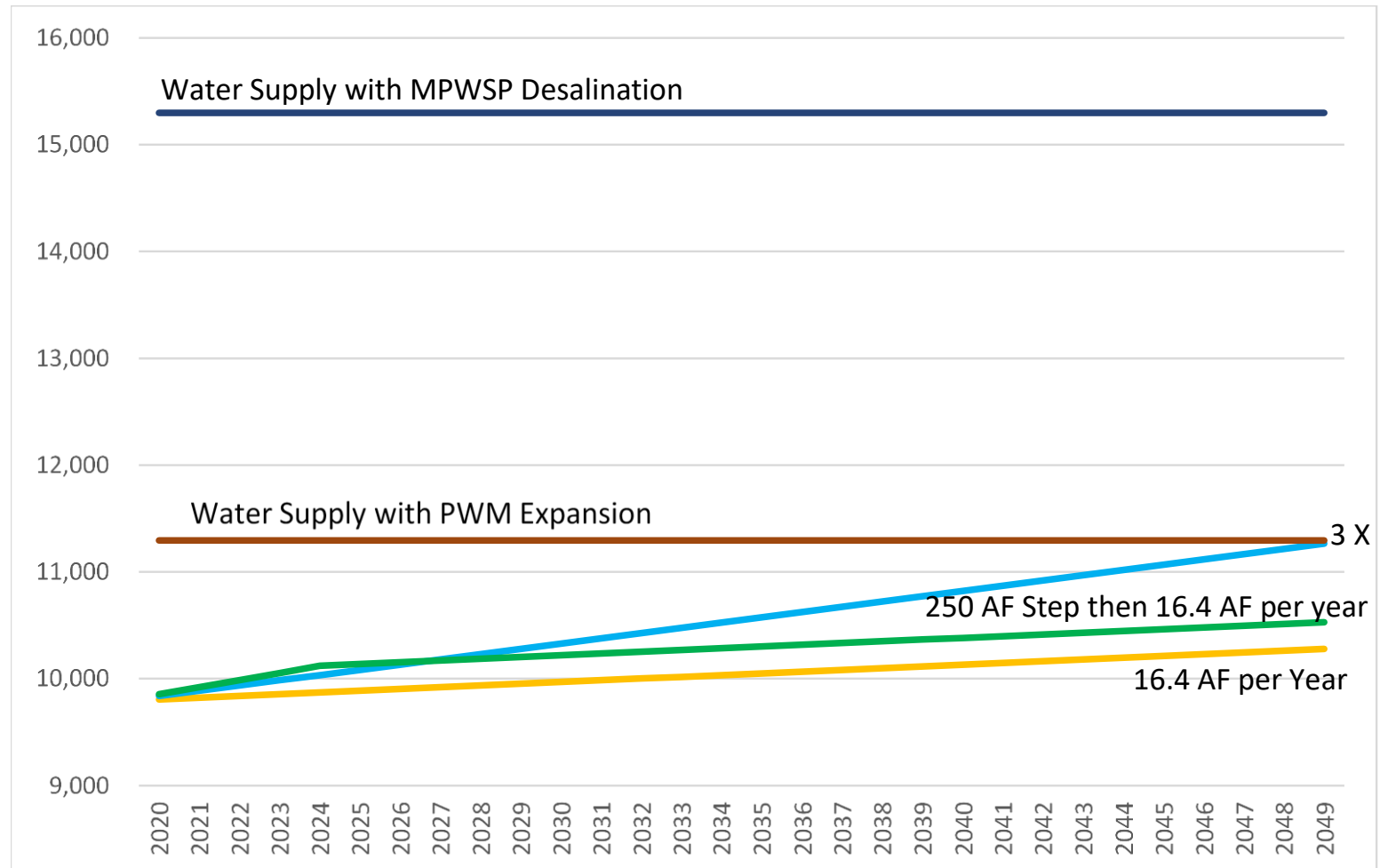


Water Supply v Demand – Start at 5-Yr Avg

(Acre-Feet)




Water Supply v Demand – Start at 3-Yr Avg



Principal Conclusions

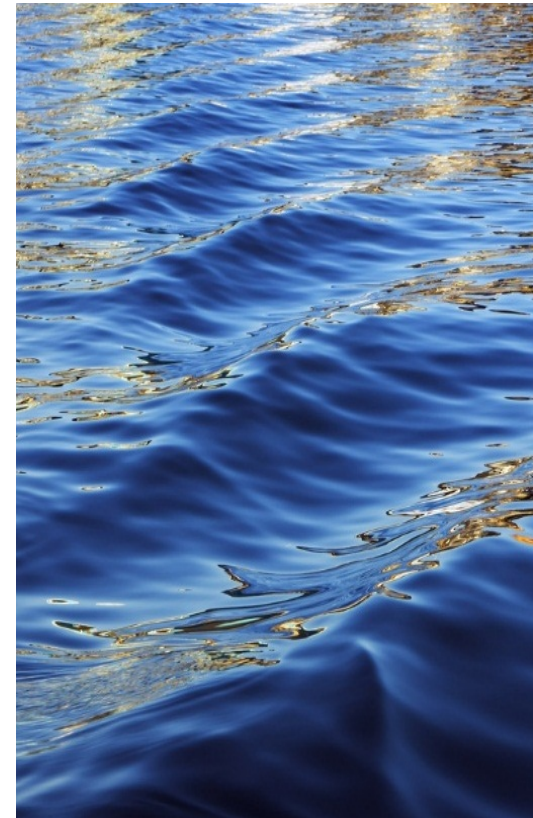
- Either supply option can meet the long-term needs of the Monterey Peninsula
- Either supply option is sufficient to lift the CDO
- The long-term needs of the Monterey Peninsula may be less than previously thought
- Several factors will contribute to pressure on decreasing per capita water use



Preliminary Discussion on Sunset of Water Supply Charge

Ord 152 Oversight Panel

October 10, 2019



Sunset Provisions of Ord 152

C. Notwithstanding any other provision of this Ordinance, the District shall not collect a water supply charge pursuant to this Ordinance: (a) in Fiscal Year 2018-19 (or any subsequent fiscal year) if no District project is identified and determined by the Board of Directors to have been underway as of December 31, 2017, (b) to the extent alternative funds are available via a charge collected on the California American Water Company bill, or (c) to the extent the Board of Directors determines that the charge (or portion thereof) is no longer required because bonds financing a specific project having been repaid.

MPWMD Surcharges before User Fee Returned

BILLING PERIOD AND METER READINGS

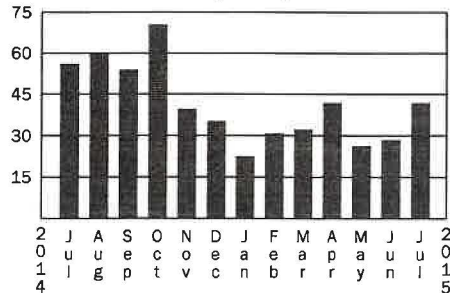
- Billing date: July 9, 2015
- Due Date: **July 31, 2015**
- Billing period: Jun 05 to Jul 07 (33 Days)
- Next reading on or about: Aug 06, 2015
- Customer Type: Residential
- Meter Reading Measurement:
1 unit = 10 CF or 74.8 gallons of water
- Billing Measurement: 100 gallons (CGL)

Meter No.	X086517048
Size of meter	5/8"
Current Read	4,346 (Actual)
Previous Read	4,290 (Actual)
Total water used this billing period	56 units (4,188 gallons)

Total Water Use Comparison (in 100 gallons)

- Current billing period 2015: 41.88 CGL
- Same billing period 2014: 56.10 CGL

Billed Use Graph (100 gallons)



BILLING SUMMARY

For Service To: 9TH LINCOLN N E 52

For Account 1015-220003993400

Prior Balance

- Balance from last bill 37.67
- Payments as of Jun15. Thank you! -37.67

Balance Forward 0.00

Current Water Service

- Water Service Charge 9.67
- Water Usage Charge (\$0.60540000 x 33.66) 20.38
- (\$1.08430000 x 8.22) 8.91
- Total Water Service Related Charges 38.96**

Other Charges

- Carmel River Mitigation Surcharge (38.96 x 4.64%) 1.81
- Conservation Surcharge (\$0.02450000 x 41.88) 1.03
- Payment Assistance Surcharge Water 1.54
- Consolidated Expense Balancing Account (\$0.08760000 x 41.88) 3.67
- Coastal Water Project Surcharge (38.96 x 15.00%) 5.84
- MPWMD Cnsvn Surcharge 0.40
- Seaside Basin BA Surcharge 0.37
- Total Other Charges 14.66**

Taxes

- County Franchise Taxes 0.50
- Commission Surcharge 0.76
- Total Taxes 1.26**

TOTAL CURRENT CHARGES 54.88

TOTAL AMOUNT DUE



\$54.88

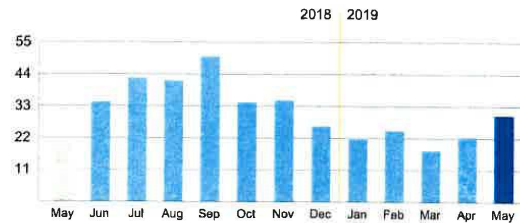
2016-17 Results

	Amount
Mitigation Surcharge	\$2,039,913
Conservation Surcharge	<u>\$330,000</u>
Mitigation Expenses	\$2,324,550
Conservation Expenses	<u>\$330,000</u>
Surplus	(\$284,637)

MPWMD Surcharges after User Fee Returned

Billed Usage History (graph shown in 100 gallons)

- 2,992 gallons = usage for this period
- 2,019 gallons = usage for same period last year



Account Detail

Account No. [REDACTED]
 Service To: [REDACTED] CARMEL-BY-THE-SEA, CA 93921

Prior Billing 55.40

Payments -55.40

Total payments as of May 1. Thank you! -55.40

Balance Forward 0.00

Service Related Charges - 04/05/19 to 05/06/19

Water Service 38.62

Water Service Charge	16.80
Water Usage Charge	21.79
Tier 1 (29.9 x \$0.7287)	21.79
Tier 2 (0.02 x \$1.5039)	0.03

Other Charges 20.76

Payment Assistance Surcharge Water	1.21
Pre-2015 WRAM Surcharge (1 x \$10.08)	10.08
Post-2015 WRAM/MCBA Surcharge	6.64
(29.92 x \$0.2219)	
Seaside Basin BA Surcharge	0.37
Consolidated Expense Balancing Account	2.46
(29.92 x \$0.0821)	

Total Service Related Charges 59.38

Pass Through Charges 3.22

MPWMD User Fee (\$38.62 x 8.33%) 3.22

Taxes 2.22

City Franchise Fees	1.34
Commission Surcharge	0.88

Total Current Period Charges 64.82

Total Amount Due ➡ **\$64.82**

Current Results

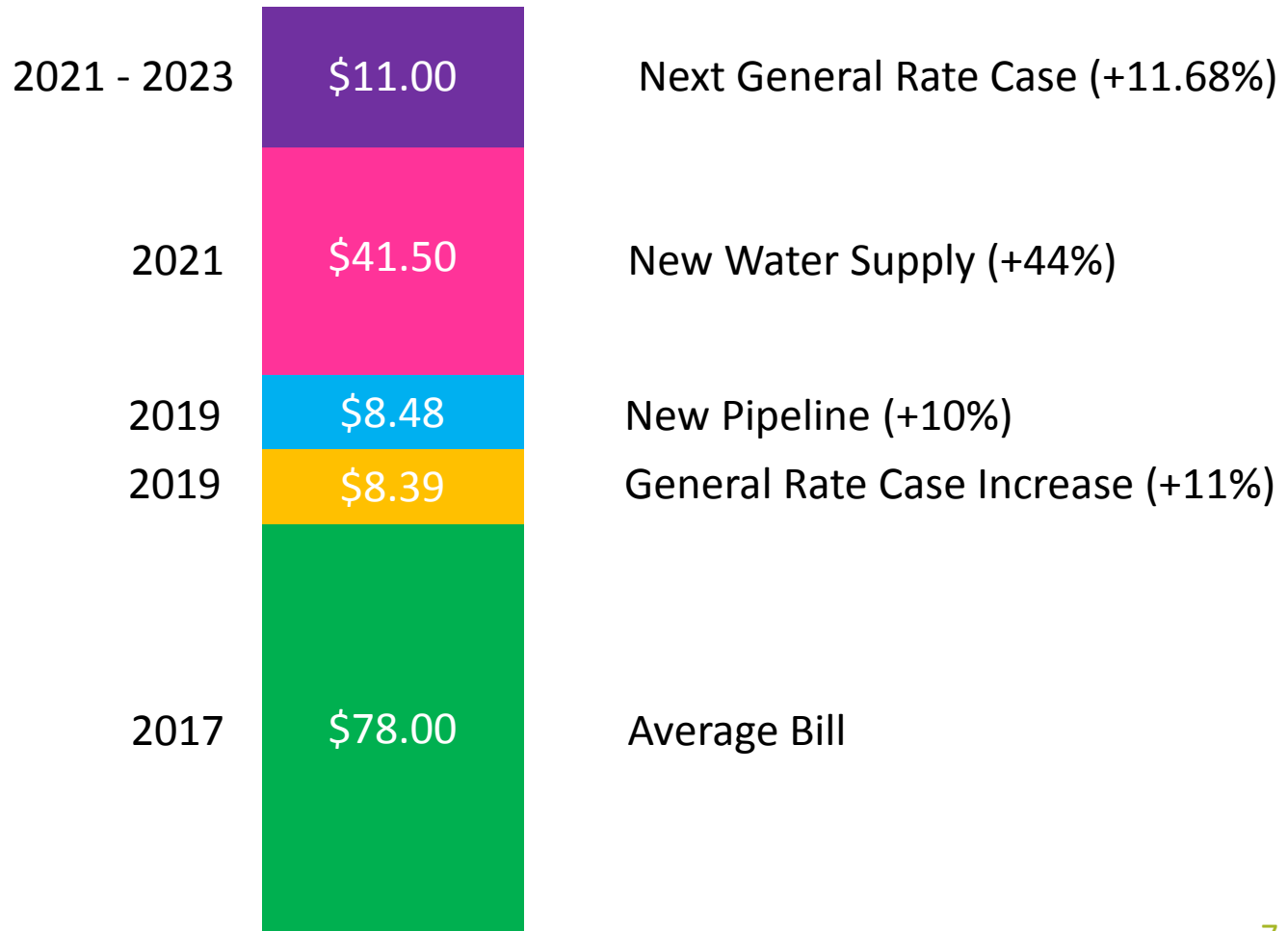
	Amount
User Fee Surcharge	<u>\$4,753,426</u>
Mitigation Expenses	\$2,700,000
Conservation Expenses	<u>\$330,000</u>
Surplus	\$1,723,426

vs.

\$3,404,897

Water Supply Charge

Typical Homeowner Rate Impacts



Prospective Results (2023)

	Amount
User Fee Surcharge + 56%	<u>\$7,415,345</u>
Mitigation Expenses	\$3,857,600
Conservation Expenses	\$330,000
Surplus	\$3,227,744

Versus

\$3,404,897

Water Supply Charge

Water Supply Needs – Next Few Years



\$2,100,000
Pure Water Monterey
Operating Reserve
2019-20

\$5,600,000
ASR Chemical Building
2019-20 & 2020-21



Other Needs

- Additional 750 AF to Operating Reserve
- Unknown Projects
- Mechanics Bank Loan
- Renewal & Replacement
- Annual Capital Expenditures (Trucks, material, etc)
- PERS and OPEB Liabilities
- Non-Recurring Expenses (e.g. Elections, Erosion Control)
- Measure J Expenses