

RESOLUTION NO. 25-118 C.S.

A RESOLUTION OF THE COUNCIL OF THE CITY OF MONTEREY

ESTABLISHING A WATER POLICY TO DISTRIBUTE WATER AVAILABLE FROM THE MONTEREY PENINSULA WATER DISTRICT ORDINANCE 197

WHEREAS, State Water Resources Control Board ("SWRCB") Order No. WR 95-10 dated July 6, 1995, determined that California American Water ("Cal-Am") did not have the right to divert as much water from the Carmel River system as it historically did. The SWRCB, through Order WR 2009-0060, authorized Cal-Am to continue these diversion levels until 2017, and then again through Order WR 2016-0016 to 2021, at which point alternative water supplies were required to avoid significant threats to the health, safety and welfare of residents, businesses, visitors and property owners on the Monterey Peninsula;

WHEREAS, the Pure Water Monterey ("PWM")/Groundwater Replenishment Project ("PWM/GWR") is an advanced water recycling project, jointly developed by MPWMD and Monterey One Water ("M1W"). The PWM Groundwater Replenishment Final Environmental Impact Report ("2015 EIR") was certified by M1W in October 2015, with Addenda approved in June 2016, March 2017, and October 2017 to address project changes (SCH #2013051094; MPWMD/M1W 2015, 2016, 2017a, 2017b). Initially, the approved PWM/GWR Project had an operational capacity of 4.0 million gallons per day (mgd). In 2017, M1W approved a modification to the PWM/GWR Project that expanded operational capacity from 4.0 mgd to 5.0 mgd (MPWMD/M1W 2019). The PWM/GWR Project is owned and operated by M1W. Currently, MPWMD sells 3,500 AFY of water from PWM/GWR to Cal-Am;

WHEREAS, in 2019, M1W prepared a Draft Supplemental EIR for modifications to expand the water supply yield of the approved PWM/GWR Project. These modifications would expand facility peak capacity from 5 mgd to 7.6 mgd and would ultimately result in an additional 2,250 AFY of purified recycled water for injection into the Seaside Groundwater Basin. PWMD would subsequently extract and sell a total average yield of 5,750 AFY to Cal Am (MPWMD/M1W 2019). The PWM/GWR Project would also deliver 600 AFY to the Marina Coast Water District. The 5,750 AFY of water would replace a portion of the water supply for Cal-Am, which has been required by the SWRCB to reduce drafting water from the Carmel River to legally permitted levels. The Final Supplemental EIR ("2021 SEIR") was certified in April 2021, and an Addendum was approved in November 2021 (SCH #2013051094, MPWMD/M1W 2020, 2021);

WHEREAS, the PWM Expansion provides a replacement water supply that should enable the lifting of the SWRCB Cease and Desist Order (CDO) and the California Public Utilities Commission ("CPUC") moratorium on the setting of new meters;

WHEREAS, Ordinance No. 197 allocated a portion of the additional new water supply made available by the expansion of the PWM/GWR Project amongst the Monterey Peninsula Jurisdictions within the District's service area. The District anticipates that the additional water supply will be on-line by the fourth quarter of 2025. The Amended and Restated Water

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF MONTEREY that it hereby establishes the following priorities and procedures:

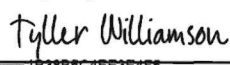
1. Projects that include affordable housing are the city's top priority for water allocation and will be issued a water permit prior to other project types. The priority for water allocation is based on the overall size of the project, the number of affordable units proposed, and the level of affordability proposed.
2. Project applicants may submit the completed Monterey Peninsula Water Management District Water Release Form to the City only after all planning permits and outside agency (Coastal Commission, etc.) approvals have been finalized/issued and when the project's building permit is ready for issuance according to the City Building Official.
3. Project applicants are required to pull a building permit within 180 days of the applicant being notified by email of the building and water permit issuance status.
4. Projects are required to pass a required building inspection within 365 days of building permit issuance in compliance with Monterey City Code.
5. Housing units are limited to these maximum water credits:
 - Residential Uses can add fixtures compliant with this maximum acre foot allocation
 - One Bath Residential Dwelling with High Efficiency Fixtures (.063 acre feet)
 - Two Bath Residential Dwelling with High Efficiency Fixtures (.111 acre feet)
 - Two & ½ Bath Residential Dwelling with High Efficiency Fixtures (.129 acre feet)
 - ADU (.063 acre feet)
 - JADU (.063 acre feet)
6. Water permits for new allocations per the MPWMD's Ordinance 197 will be issued when the State Water Resources Control Board (SWRCB) Cease and Desist Order (CDO) and the California Public Utilities Commission ("CPUC") moratorium is lifted or modified to allow the setting of new meters or allow for increasing water use at existing sites.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF MONTEREY this 18th day of November, 2025, by the following vote:

AYES:	3	COUNCILMEMBERS:	Barber, Rasch, Smith
NOES:	2	COUNCILMEMBERS:	Garcia, Williamson
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None

APPROVED:

ATTEST:

Signed by:


1838B5C4FE3E4E5
Mayor of said City

DocuSigned by:


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City Clerk thereof