# Exhibit "A"

Passed to Print for Second Reading 5/18/93

# Ordinance No. 70

# AN ORDINANCE OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT MODIFYING THE RESOURCE SYSTEM SUPPLY LIMIT, ESTABLISHING JURISDICTIONAL ALLOCATIONS, AND REPEALING AND ENDING THE MORATORIUM AND LIMIT ON THE ISSUANCE OF WATER CONNECTION PERMITS

#### **FINDINGS**

- 1. The Monterey Peninsula Water Management District enacted Ordinance No. 52 on December, 1990 (later amended and republished by Ordinance No. 59 in 1991 and Ordinance No. 62 in 1992) to implement the water allocation program, to modify standards for the issuance of water connection permits, and to temporarily limit new uses of water. That limit established a moratorium on the issuance of most water connection permits.
- 2. Ordinance No. 52 was based upon evidence presented by the District's Water Allocation Program EIR which confirmed the selection of Supply Option V and established an annual production limit from the Monterey Peninsula Water Resource System of 19,881 acre-feet, and an annual production limit of 16,744 acre-feet upon the California-American water distribution system.
- 3. The Water Allocation Program EIR substantially altered past assumptions regarding the quantity of water available from the Monterey Peninsula Water Resource System. Annual non-rationed Cal-Am production calculated as of the end of 1990 exceeded available water supplies by 230 acre feet.
- 4. Review of Ordinance Nos. 52, 59 and 62 was required when new water was developed and integrated into the Cal-Am delivery system. This ordinance repeals the moratorium as soon as Cal-Am receives a use permit from the City of Seaside to treat water from the already constructed Paralta Well.
- 5. The moratorium enacted by Ordinance No. 52 is no longer needed as new water deriving from the Seaside Coastal Ground Water Basin (through the Paralta Well) has been developed. This new water source ensures consumption of potable water shall not exceed existing water supplies.
- 6. This expanded supply of water has also caused an expansion of the territory included within the Monterey Peninsula Water Resource System. This Ordinance sets a new annual production limit from the Monterey Peninsula Water Resource System of 20,673

acre-feet, an annual production limit of 17,619 acre-feet upon the Cal-Am water system (sales of 16,380 afa), and an annual production limit of 3,054 acre-feet upon non-Cal-Am water users and water systems which also derive their source of supply from the Monterey Peninsula Water Resource System.

- 7. This Ordinance recognizes the previous dedication for use of the 230 acre feet deficit (calculated against water available under Supply Option V), and allocates an additional 385 acre feet of production from the expanded supply of water from the Paralta Well. This water is divided in differing amounts among each of the Jurisdictions within the District and also to a District Reserve, in accord with District Rule 30, adopted by Ordinance 60 in June, 1992.
- 8. The quantity of water now available for production by the California-American Water Company (17,619 acre-feet/year) is a quantity between Supply Option IV (17,500 afa) and Supply Option I (18,400 afa), and replaces the former Supply Option V by reason of the expanded supply of water from the Paralta Well.
- 9. This Ordinance further incorporates previous decisions of the District which affect accounting for use of the existing water supplies, including the annexation of the Water West Water Distribution System and the Quail Meadows subdivision (APN 157-121-017) to the California-American Water Company. A special reserve of 14.18 acre feet (production) has been provided for within the Water West Water Distribution System, and dedicated for use within the boundaries of the former Water Distribution System. This reserve results from the difference between the supply of 264 acre feet available to the Water West Distribution System contained in the Allocation EIR and the calculation of the current production need of the Water West Distribution System including ten percent system losses. Revised production estimates have been used for the distribution systems and private wells deriving their water supply from the Monterey Peninsula Water Resource System.
- 10. This Ordinance does not distribute for use or allocation any portion of the potable water which may be freed by reason of the Pebble Beach Community Services District/Carmel Area Wastewater District Wastewater Reclamation Project. That increment of 420 acre feet of potable water remains within the production and sales data for the California-American Water System, and no portion of that increment has been allocated for Jurisdictional or District Reserve purposes. Further, properties which rely upon reclamation water entitlements pursuant to Rule 23.5 are not affected by this Ordinance.
- 11. This measure shall repeal Ordinance No. 52, Ordinance No. 59, and Ordinance No. 62 and shall cause an end to the District's moratorium on issuance of water permits.

#### NOW THEREFORE be it ordained as follows:

#### **ORDINANCE**

#### Section One: Statement of Purpose.

This ordinance continues implementation of the water allocation program, selection of water supply option, and certain mitigation measures consistent with the District's Water Allocation Program EIR. This Ordinance confirms the selection of Supply Option I (production not to exceed 18,400 afa) as identified in the Water Allocation Program EIR.

This measure modifies the resource system supply limit for the Monterey Peninsula Water Resource System, repealing Ordinance No. 52, Ordinance No. 59, and Ordinance No. 62. The effect of this Ordinance shall be to increase the production limit for the Cal-Am water distribution system and end the moratorium and limit on the issuance of water connection permits.

This Ordinance further allocates the expanded supply of water among the Jurisdictions within the District, and sets a District Reserve in accord with District Rule 30, adopted by Ordinance 60 in June, 1992.

The production limits set by this Ordinance further accounts for previous water allocation decisions of the District, including the annexation of the Water West Distribution System and the Quail Meadows subdivision (AP No. 157-121-17) to the California-American Water Company. The limits also revise production estimates for the distribution systems and private wells deriving their water supply from the Monterey Peninsula Water Resource System.

#### Section Two: Water Users Affected

A. Systems and Water Users Affected. The resource limits set by this ordinance shall apply to each of the following 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 Water West, Rancho Fiesta Mutual, and properties in the Quail Meadows subdivision (APN 157-121-017) which rely upon the October 9, 1989 annexation to the Cal-Am Water Company. (Provided, however, that properties which rely upon reclamation water entitlements pursuant to Rule 23.5 shall be governed instead by part B of this Section.)
- Seaside Municipal
- Bell/Vandervort

- Clark/Wells Fargo
- Fair Weather
- Los Robles Road
- Old River Ranch
- Rancho San Carlos Road
- Riverside Park
- Schut/Jones
- Selle
- any water system which derives its source of supply from one or more subunits of the Monterey Peninsula Water Resource System.
- any individual water user deriving water from one or more subunits of the Monterey Peninsula Water Resource System.
- B. Systems and Water Users Not Affected. The resource limits set 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
  - Cachagua Rd. 1
  - Cachagua Rd. II
  - Carmel Valley Mutual
  - Country Club Rd.
  - Dollase
  - Hanover Monterra

- Jensen Mobile Home
- Los Ranchitos de Aguajitos
- Morrow Mini
- Nason Road
- P & M Ranch
- Prince's Camp
- Ryan Ranch
- Saddle Mountain
- Schulte Road
- Sleepy Hollow
- Tao Woods Mutual
- properties which rely upon reclamation or conservation based water entitlements for the Cal-Am Water Company pursuant to Rule 23.5.
- any water system which derives 100% of its source of supply from water resources other than the Monterey Peninsula Water Resource System.

# Section Three: Water Resource System Production and Sales Limits.

A. Resource Limits. The total annual production limit from the Monterey Peninsula Water Resource System shall be increased from 19,881 acre-feet to 20,673 acre-feet. Cal-Am's annual water supply capacity limit shall be increased from a production level of 16,744 acre-feet to a production level of 17,619 acre-feet. Of this, 16,380 acre-feet shall be available for annual water sales to consumers within the Cal-Am system due to system losses and unmetered consumption. Non Cal-Am water production shall not exceed a level of 3,054 acre-feet per year.

B. Accounting. Each new water connection or permit for expanded water use shall be strictly accounted for, and each new water use shall be debited from the water supply available to both the Monterey Peninsula Water Resource System, the water distribution system affected by that new or expanded water use, and debited from the appropriate Jurisdiction or

District Reserve allocation.

C. Publication as Rule 32. The provisions A and B of Section Three set forth above shall be published in the permanent Rules and Regulations of the Monterey Peninsula Water Management District as Rule 32. "Water Resource System Production and Sales Limits".

## Section Four: 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 Rule 23. The total quantity of new or intensified water use in each respective Jurisdiction, however, pursuant to Rule 23 (c) 1, shall not exceed the amounts set forth in this section:

Carmel by the Sea	15.07 acre feet
Del Rey Oaks	3.76 acre feet
Monterey (City)	71.98 acre feet
Pacific Grove	21.43 acre feet
Sand City	47.52 acre feet
Seaside	61.11 acre feet
Monterey County	83.37 acre feet
Monterey Peninsula Airport District	3.76 acre feet

- B. District Reserve Allocation. Permits to authorize new or intensified water use from the California-American Water Company may further be issued by the District for use in any Jurisdiction pursuant to the application and approval process set forth in District Rule 23 (c) 2. The total quantity of new or intensified water use from the District Reserve Allocation pursuant to Rule 23 (c) 2, however, shall not exceed 50 acre feet.
- C. Water West Adjustment Reserve. A special reserve shall be established to replenish the Monterey County allocation for new water use which occurs within the boundaries of the former Water West Water Distribution System. Replenishment of Monterey County's allocation from this special reserve shall occur only upon the approval of water use for real property within the Water West boundary which is subdivided after the effective date of this ordinance. The total quantity of water used to replenish Monterey County's allocation pursuant to this paragraph shall not exceed 12.76 acre feet (sales).
- <u>D. Publication as Rule 33.</u> The provisions A and B of Section Four set forth above shall be published in the permanent Rules and Regulations of the Monterey Peninsula Water Management District as Rule 33, "Jurisdictional and Reserve Water Allocations".

#### Section Five: Effective Date

This ordinance shall be given effect at 12:01 a.m., on July 21, 1993, or as soon thereafter as possible provided the California-American Water Company first receives a Use Permit from the City of Seaside which allows treatment of potable water from the Paralta Well at the Ord Grove site. Before a valid use permit is held by Cal-Am, however, this ordinance shall have no force or effect.

## Section Six: Review and Sunset Provision for this Ordinance

The standards enacted by this Ordinance shall be reviewed at the time any new supplies of water have been developed which augment the available supply from the Monterey Peninsula Water Resource System. Similar review of the standards enacted by this Ordinance shall be required at any time there may be a substantial and permanent reduction in the supply of water available for use from the Monterey Peninsula Water Resource System. This Ordinance shall have no sunset provision.

# Section Seven: Publication and Application

A. Publication of Rules 32 & 33. As soon as the California-American Water Company possesses a Use Permit from the City of Seaside which allows treatment of potable water from the Paralta Well at the Ord Grove site, following the effective date of this ordinance, the following provisions of this Ordinance shall be published in the permanent Rules and Regulations of the Monterey Peninsula Water Management District:

Section Three A and B shall be published as Rule 32. Section Four A and B shall be published as Rule 33.

- B. Change to the title of Regulation III. The title of Regulation III, "Municipal Unit Allotment" shall be changed to "Jurisdictional Allocations."
- <u>C. Conjunctive Effect.</u> This Ordinance shall be read in conjunction with and complement those provisions of the District's Rules and Regulations.

#### Section Eight: 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 or

unenforceability shall not affect the validity or enforcement of the remaining portions of this Ordinance, or of any other provisions of the Monterey Peninsula Water Management District Rules and Regulations. It is the District's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

On motion o	f Director Heuer, and second by DirectorKaras,
by the following voi	ince is adopted upon second reading this 21st day of June 1902
AYES:	Directors Long, Hughes, Hekhuis, Farina, Pendergrass, Heuer and Karas
<u>NAYS</u> :	vone
ABSENT: N	None
management District	ofer, Secretary to the Board of Directors of the Monterey Peninsula Water t, hereby certify the foregoing is a full, true and correct copy of an ed this 21st day of June, 1993.
Witness my h 1993.	and and seal of the Board of Directors this 28th day of June,
	James R. Cofer, Secretary to the Board

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