



MEINERS OAKS WATER DISTRICT

Allocation Program

REVIEW DRAFT

January 22, 2020

I. Background and Introduction

In 2015, MOWD implemented a water allocation/rate program based largely on historical water use. Meanwhile, Casitas MWD adopted its Water Efficiency and Allocation Program (WEAP). In 2018 MOWD signed a Memorandum of Understanding (MOU) for water service with Casitas MWD, in which MOWD agreed to implement measures consistent with the WEAP. This will make MOWD's water conservation measures more consistent with those used in the rest of the Ojai Valley. MOWD's new *Allocation Program* is described in this policy document.

MOWD may revise this Allocation Program at any time based on future State regulations, changes to Casitas MWD's WEAP, MOWD's ability to supply water, or other factors as necessary. MOWD's customers will be notified before any changes are implemented.

This Allocation Program is generally intended to cover existing meters and current/historical levels of water use. A separate MOWD *Policy on New Meters and Expansion of Service* is being developed to guide policy on new customers, new meters, and increases in water demands above historical levels.

MOWD's water rates and fees, including over-allocation penalties, are described in a separate document, to be adopted each year by MOWD's Board of Directors (Board).

II. Definitions

Baseline allocation

The allocation assigned to a meter that reflects an appropriate level of water usage in the absence of drought. Baseline allocations can consist of two parts: a fixed allocation and a variable allocation (defined below)

Fixed allocation

The portion of a meter’s baseline allocation that is not subject to reduction during stages of drought declared by MOWD. This portion of a base allocation is analogous to “essential water use” in Casitas MWD’s WEAP.

Variable allocation

The portion of a meter’s baseline allocation that is reduced during various stages of drought. This portion of the base allocation is analogous to water used in excess of essential use, as defined in Casitas MWD’s WEAP.

Reduced variable allocation

The variable portion of a meter’s allocation after it has been reduced in drought Stages 2-5.

Total reduced allocation

A meter’s total allocation allowed during a given stage of declared drought, consisting of a non-reduced fixed allocation (if applicable) and a “reduced variable allocation.”

Irrigable area

The land area served by a meter(s), after subtracting the areas of impervious facilities such as houses, garages, patios, driveways, sidewalks, etc. This area is generally considered to be the total area that could be irrigated, whether or not it is currently irrigated or has been irrigated in the past.

Seasonal monthly allowance

The percentage of a residential meter’s annual variable allocation that is allotted to a specific calendar month during declared drought stages, with higher percentages allotted to summer months and lower percentages allotted to winter months.

Waiver process

A process by which a customer may request a higher or re-adjusted baseline allocation for a meter, for consideration and possible approval by MOWD’s Board.

Parcel

For the purposes of this Allocation Plan, “parcel” refers to a unit of land assigned a unique Assessor’s Parcel Number (APN).

Legal lot

Legal lots are those created according to procedures defined in the State of California Subdivision Map Act and Ventura County’s Subdivision Ordinance, including those for which a Certificate of Compliance has been issued by the Ventura County Surveyor’s Office. Legal lots may be divided into one or more parcels with different Assessor Parcel Numbers (APNs).

Ownership

One or more contiguous parcels owned by the same individual, provided at least one meter in the collective area serves water across parcel boundaries. If a party owns contiguous *legal lots*, and no water is crossing the boundaries of the legal lots, then each legal lot can be treated as an individual ownership. MOWD does not intend to treat parcels that belong in the same legal lot as separate ownerships.

Permitted dwelling

A dwelling unit that has been or will be constructed with all required permits from the County of Ventura.

Meter categories

MOWD meters are divided into the following categories: RES = residential; COM = commercial; and AG = agricultural.

The purpose of RES meters is to serve dwellings and outdoor uses of water incidental to, and logically associated with, residential use. Examples of incidental outdoor uses are landscape irrigation, gardening, hobby (non-commercial) orchards, stables that are not run as a commercial business, and swimming pool maintenance. Meters serving condominium complexes, multi-plexes, apartment buildings, and mobile home parks shall be classified as RES meters, regardless of whether the owner of the multiple dwelling situation makes a profit from rent.

AG meters are intended to provide water only to commercial irrigated agriculture and only to the extent it existed when MOWD performed its aerial survey of land cover in 2016. Non-commercial agriculture, such as hobby orchards and gardens, will be considered no differently than other discretionary outdoor uses, and shall be served by RES meters. For a meter to retain an AG classification, it must directly provide water to *qualifying commercial agricultural acreage*. To qualify for treatment as commercial agriculture, acreage must be enrolled in the Ventura County Agricultural Irrigated Lands Group (VCAILG)¹ and must not be served by a private well. VCAILG enrollment shall be demonstrated by ongoing grower and/or owner membership in the Ventura County Agricultural Irrigated Lands Group (VCAILG), and by ongoing payment of dues to VCAILG for all irrigated agricultural acreage within the parcel(s) served by the meter.

Existing AG meters that do not serve water to acreage meeting the criteria above will be reclassified as RES meters, and the agricultural square footage in the ownership associated with the meter (if there was any in 2016) will be treated as generic irrigable acreage subject to the formula for calculating variable allocations for residential meters.

¹ According to state regulations, commercial irrigated agricultural land in the Ventura County must be enrolled in the Ventura County Agricultural Irrigated Lands Group (VCAILG). This requirement ensures that the owners/growers operating the irrigated acreage are meeting the requirements in the Los Angeles Region Conditional Waiver of Waste Discharge Requirements for Discharges from Agricultural Lands (Ag Waiver), designed to promote best practices to avoid water waste and pollution of surface and ground water with pesticides, nutrients, and other pollutants. The goals of the Ag Waiver program are consistent with MOWD's mission to provide uncontaminated water for reasonable uses.

III. Baseline Allocations

MOWD’s baseline allocations correspond to a reasonable amount of water use in the absence of drought conditions. Baseline allocations are derived from elements of Casitas MWD’s WEAP. MOWD reserves the right to assign baseline allocations to individual customers based on audits or waiver hearings.

Residential (RES) meters

Each RES meter will be assigned a baseline allocation that includes a “fixed portion” and a “variable portion.”

Fixed Portion Each RES meter will be assigned a fixed monthly allocation for water use for permitted dwellings as follows:

Single family homes designated as primary dwellings	10 HCF/month
Additional dwellings (second homes and permitted ADUs)	7 HCF/month
Multiple-family dwellings (apartments)	7 HCF/month per dwelling unit
Mobile home parks	7 HCF/month per mobile home
Tiny houses (<500 SF, limit of one per lot)	5 HCF/month

Note: HCF = one hundred cubic feet = one “unit”

Variable Portion With the exception of mobile home parks, each RES meter will receive an annual variable baseline allocation based on square footage (SF) of irrigable area served by the meter up to 1.99 acres (86,684 SF), calculated using the allowable annual water application rates shown in Table 1.

Table 1. Tiers of Irrigable Area and Designated Annual Rates of Water Use

Tier 1	First 5,000 SF	15 gallons/SF/yr
Tier 2	Next 10,000 SF	10 gallons/SF/yr
Tier 3	Next 71,684 SF	3 gallons/SF/yr
Additional SF over 86,684 SF (over 2 acres)		No additional allocation

Irrigable Area Irrigable area is calculated as follows: From the total area served by the meter, subtract out the areas of permanent facilities such as houses, garages, carports, patios, brickwork, sheds, driveways, sidewalks, horse corrals, pools, fountains, gravel parking areas, etc. The basis for this calculation will be the parcel-specific land cover data obtained in MOWD’s 2016 aerial survey.

Irrigable area associated with any single meter shall be limited to the contiguous parcels of a single owner that have historically been served by the meter. When a single RES meter serves more than one parcel, the irrigable area for all parcels will be combined before applying the tiered rates in Table 1.

For meters serving apartment buildings, an annual variable allocation will be provided based on irrigable area using the tiered rates in Table 1. Meters serving mobile home parks will not be assigned variable allocations.

Commercial (COM) Meters

Annual baseline allocations for COM meters shall be based in part on the average annual historical demand from 2010 through 2012. COM meters will be assigned a fixed allocation of 10 HCF/month, treated as an annual allotment of 120 HCF/yr, that is not subject to declared drought stage related reductions.

If the 2010-2012 average annual historic demand for a COM meter exceeds 120 HCF/yr, an additional annual variable baseline allocation will be provided equal to the average annual historical demand minus 120 HCF/yr. Variable allocations will be subject to drought-stage-related reductions. Because customers with COM meters are able to enjoy allocations based on historic use, COM meters that also serve dwellings will not be assigned additional fixed allocation based on dwelling numbers or types.

Agricultural (AG) Meters

An annual baseline allocation for AG meters will be provided equal to the *smaller* of (1) the average historic annual use for 2010-2012 for the meter, or (2) a cap of 2.5 AF/acre/yr applied to the “qualifying agricultural acreage” directly served by the meter. By default, the qualifying agricultural acreage will be the acreage that meets three criteria: (1) it was identified as “agriculture” in MOWD’s 2016 aerial survey, (2) the acreage is enrolled in VCAILG, and (3) the acreage is not served by a private well. Through the waiver program, it is possible that MOWD-staff site visits, or other information, may inform the determination of the extent of qualifying agricultural acreage served by an existing AG meter. However, MOWD is not obligated to provide an agricultural water allocation for irrigated agricultural acreage put into service after the 2016 aerial survey was conducted.

All of an AG meter’s allocation will be treated as a variable allocation subject to reduction during declared drought stages.

Special Cases

RES meters with no dwellings

There are meters on several parcels in the MOWD service area that were installed a long time ago, that apparently serve miscellaneous outdoor uses, but are not connected to any dwellings, and are not providing water to agricultural acreage according to our 2016 aerial survey of land cover. These meters shall be treated as RES meters (reclassified if necessary), and variable allocations derived using the irrigable area only, without any fixed dwelling allowances.

Two or more RES meters on one ownership

When more than one RES meter serves one or more adjacent parcels under common ownership, by default, a single variable allocation will be derived using the combined irrigable area served by all meters and an equal portion of the variable allocation will be assigned to each of the residential meters.

Ownerships with both RES and AG meters

When an ownership is served by both RES and AG meters, the “qualifying agricultural acreage” will be subtracted from the irrigable area used to calculate the variable allocation for the RES meter(s) in the ownership.

AG meters that serve dwellings

In cases where an AG meter provides water to both qualifying agricultural acreage AND one or more permitted dwelling(s), any pertinent dwelling allowances will be subtracted first from the historic base allocation for the AG meter, and the remainder of the historic base allocation will be used in the determination of the allowable agricultural water use for the meter. The dwelling-related allowance will be treated as an annual fixed allocation, and the allowance for agricultural water use will be treated as an annual variable allocation.

Multiple meters serving dwellings on one ownership

In these cases, by default, MOWD will assign the primary dwelling allowance to the meter with the *oldest customer account number root*, and all other dwellings in the ownership will be considered “additional dwellings”. Through the allocation waiver program, a customer can apply to switch the single primary dwelling designation to a different meter in the ownership.

IV. Reduced Allocations During Droughts

During declared drought stages, baseline variable allocations shall be reduced using the percentages in Table 2:

Table 2. Mandatory Reductions of Variable Allocations During Declared Drought Stages

Stage	1	2	3	4	5
Reduction from baseline	None*	20%	30%	40%	50%

* Voluntary 20% reductions in effect.

The reductions in Table 2 are subject to change based on any revisions to the WEAP adopted by Casitas MWD, other requirements imposed by the State, the ability of MOWD to deliver water, or as otherwise deemed appropriate at MOWD’s discretion.

RES Meters

The fixed portion of baseline allocations for RES meters will normally not be reduced during a declared drought stage. However, the variable portion of the annual baseline allocation will be reduced during various drought stages using the percentages in Table 2.

COM Meters

The fixed portion of the baseline allocation for COM meters (120 HCF/year) will normally not be reduced during a drought. However, the variable portion of the annual baseline allocation will be reduced during various drought stages using the percentages in Table 2.

AG Meters

All agricultural water use is considered to be variable use for the purpose of this allocation program. To calculate reduced annual allocations during drought stages, the entire annual

baseline allocation assigned to an AG meter for agricultural use will be reduced during various drought stages using the percentages in Table 2.

Mid-Year Change in Declared Drought Stage

In the event MOWD declares a change to a drought stage in the middle of a fiscal year, then the annual allocations for COM and AG customers will be pro-rated by the number of months at each stage during the year.

V. Seasonal Demand and Over-Allocation Penalties

RES Meters

The fixed portion of residential allocations shall not vary from month to month. Unused allocation may not be carried over to other months.

When drought-stage-related reductions are in force, the *variable* portion of annual allocations will be distributed among calendar months to accommodate typical seasonal variation in demand, using the percentages in Table 3.

Table 3. Distribution of Variable Allocation Across Calendar Months

Month	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
% of Annual Variable Allocation*	17	17	13	5	5	5	2	2	2	10	10	12

*From the Casitas MWD WEAP. These percentages correspond well with historical patterns of residential usage within MOWD.

During drought Stages 2 through 5, monthly water use exceeding the sum of the fixed allocation and the seasonal monthly allocation allowance will be subject to an over-allocation penalty that month, in accordance with the water rate schedule then in effect.

Example

For example, suppose a residential meter serves 8,200 SF of irrigable area. As explained previously, the irrigable area determines the variable portion of the annual baseline allocation for the meter. Following the approach illustrated in Table 1, the 8,200 SF of irrigable area associated with that meter would be divided into two “tiers”:

Tier 1: First 5,000 SF

Tier 2: Next 3,200 SF

Using the formulas for calculating baseline variable allocations, the meter would be assigned an annual baseline variable allocation of 143 HCF, derived as follows:

Tier 1: $[(5,000 \text{ SF}) \cdot (15 \text{ gal/SF})] / (748 \text{ gal/HCF}) = 100 \text{ HCF}$

Tier 2: $[(3,200 \text{ SF}) \cdot (10 \text{ gal/SF})] / (748 \text{ gal/HCF}) = 43 \text{ HCF}$

Total Variable Allocation = 143 HCF

As an example, in Stage 3, during which a 30% reduction would be applied to variable allocations, the annual variable allocation would be reduced to 100 HCF/year (70% of 143 HCF = 100 HCF). Following the seasonal schedule in Table 3, the customer could use 17 HCF (17% of 100 HCF = 17 HCF) of that annual variable allocation in July, but only 2 HCF in January.

COM and AG Meters

Commercial and agricultural customers will be responsible for managing their own seasonal variations in water use, and for staying within their annual allocations. COM and AG meters will be assigned a reduced total allocation each year based on the drought stage(s) then in effect. For this purpose, a year will begin on July 1 and end on June 30 of the following year (based on the nearest meter readings). Once cumulative use during that period exceeds the total reduced annual allocation for a meter for that year, all subsequent water use during that year shall be subject to the Over-Allocation Penalty. This cycle will be restarted each July 1.

Customers with AG or COM meters will be billed once a year, after July 1, for the Over-Allocation Penalties accrued to their COM or AG meters during the previous the fiscal year. The monthly bills for COM and AG meters will report the fiscal-year cumulative usage during the year to assist with management of water use. Customers will be notified in advance of actual and potential drought stage changes.

At the end of the fiscal year, the over-allocation charges for COM and AG meters will be prorated by the total percentage of water MOWD received from Casitas MWD during the year. For example, if MOWD took 40% of its water from Casitas MWD during the year, then 40% of a customer's over-allocation penalty amount will be calculated using the "from Casitas" over-allocation rate and 60% will be calculated using the "MOWD wells" over-allocation rate. More information on this procedure will be available in MOWD's rates and fees documents.

VI. Miscellaneous Policy Items

- 1) As described by the procedures above, the allocation for a customer's meter may include fixed and variable portions calculated from adjacent and contiguous parcels owned by the same customer and served by that meter. However, allocations may not be transferred or shared between non-contiguous properties nor parcels owned by different parties.
- 2) Customers are not permitted to deliver or sell water to their neighbors or to other parties.
- 3) No allocation will be provided for illegal dwellings. Customers with waiver requests that involve potential adjustment of dwelling-related fixed allocations may be required to furnish proof to MOWD that the dwelling(s) in question are consistent with the zoning for the subject parcel and were built with the necessary zoning clearances (if applicable) and building/development permits from the County of Ventura.
- 4) MOWD is not obligated to provide an agricultural allocation for irrigated agricultural acreage put into service after the 2016 aerial survey was completed.

VII. Waiver Program

MOWD has adopted a waiver system whereby a customer may request a higher baseline allocation for metered service. There are several types of waivers, as follows:

1) Adjustments to irrigable area

MOWD used aerial imagery generated in 2016 to estimate the irrigable and non-irrigable square footage associated with residential meters. If the actual irrigable area of a residential customer's property substantially exceeds the MOWD assigned irrigable area (by 10% or more), the customer may request an additional allocation to accommodate the actual irrigable area. As explained previously, for this purpose, irrigable area is the area served by a meter minus permanent facilities such as houses, garages, carports, patios, brickwork, sheds, driveways, sidewalks, horse corrals, pools, fountains, gravel parking areas, etc. Irrigable area assigned to a meter will not be adjusted for adjacent parcels that were not historically irrigated by that meter.

To request a waiver under this category, a customer should prepare a scale drawing of the property and all relevant improvements on it. He/she should measure the dimensions of each of those improvements and provide those on the drawing. The drawing should indicate the total square footage of the lot and how that was determined. The customer should provide a calculation of the irrigable area by subtracting from the total parcel(s) area any impervious or otherwise non-irrigable areas, including but not limited to:

- Structures such as houses, garages, carports, dwellings, structures, sheds, barns, stalls
- Driveways, roads, parking areas, concrete, asphalt,
- Pools, fountains, ponds

Non-irrigable areas should include the square footage underlying overhanging roofs, patio covers, eaves, etc. Please call MOWD staff if you have any questions on what to include. An inspection of the property by MOWD staff will be required to verify the information being submitted by a waiver applicant.

If approved, a change in baseline variable allocation will be calculated based on the revised irrigable area. If supported by data from the customer or by an inspection by MOWD, a customer's allocation may end up being reduced below the initial MOWD-assigned baseline allocation. (In other words, if we find that a lower allocation is appropriate based on the characteristics of the property, that lower number may be assigned as the new allocation.)

No changes to the allowed rates of applied water for a given irrigable area (gallons/SF/yr), as previously defined herein, will be considered for the purpose of calculating a revised allocation. Residential properties with over 2 acres of irrigable area will not receive any additional variable allocation for irrigable area exceeding 2 acres.

2) Transfers of allocation between meters on one or more parcels

In situations wherein multiple RES meters serve the same ownership, it is not possible for MOWD to pre-determine exactly how much of the irrigable area in the ownership is directly served by which meter. As explained previously, MOWD will by default assign equivalent

fractions of the variable allocation for an ownership to each RES meter in the ownership. A customer may request redistribution of variable allocation between pertinent meters.

In addition, in situations where multiple meters serve dwellings in the same ownership, MOWD will by default assign the primary dwelling fixed allocation to the meter with the older account number. A customer may request to designate a dwelling connected to a different meter within the ownership as the primary dwelling. In such cases, the combined total fixed allocation of the RES meters in the ownership shall not increase.

3) Adjustments specifically allowed by Casitas MWD's WEAP

Adjustments to the baseline allocation may be allowed for the following:

- A correction or change to the number of permitted dwelling units for a multiple family dwelling or mobile home park.

- An exemption may be granted for a licensed in-home childcare or elderly care facility.

In accordance with the WEAP, additional allocations will not be allowed for the following:

- Pools, ponds, spas, or hot tubs.

- In-home businesses or hobbies that use an increased amount of water.

- Gardens and orchards.

- Homeowner association requirements for outside irrigation.

4) Adjustments to COM meter allocations

Adjustments to fixed or variable allocations may be considered for the following:

- Schools

- Public health facilities

- Water use that benefits the community as a whole

Additional allocations provided for these purposes shall not be used for irrigating landscaping or crops.

Commercial customers who need more water than historically used on a property, or who cannot reduce their usage to meet allocations in effect, should refer to MOWD's *Policy for New Meters and Expansion of Service*, currently under development.

Commercial customers may submit waiver requests to address unique conditions that the customer believes may not be adequately considered in this Allocation Program. A site inspection by MOWD staff will be required.

5) Adjustments to AG meter allocations

Agricultural customers may submit waiver requests to address unique conditions that they believe may not be adequately considered in this Allocation Program. A site inspection by MOWD staff will be required. However, as noted previously, MOWD is not obligated to provide

an agricultural allocation for irrigated agricultural acreage put into service after the 2016 aerial survey was completed.

6) Other considerations

There may be other unique factors not considered in this Allocation Program that could affect a meter's allocation. The intent of this program is to be as fair as possible while protecting the water supply of the community as a whole during declared droughts.

Factors with less weight

The following factors will be given less weight when considering a waiver:

Adverse impacts on the viability of marginally profitable or unprofitable agriculture. Such fields should be removed from production during severe droughts.

Financial hardship for those on a fixed or limited income, on the basis that the easiest way to reduce water cost is to cut back on landscaping, gardening, etc.

VIII. Waiver Application and Approval Process

If a customer satisfies one of the appropriate criteria, he/she may request a higher base allocation for a meter, or other exclusion. The waiver process is as follows:

- 1) A customer must write a letter to MOWD describing his/her unique situation, provide detailed information, and explain why he/she feels entitled to an additional allocation. The letter should be clear and thorough, and request a specific amount. As supplemental information, the customer should also fill out and attach the waiver form posted on MOWD's website. If the request is based on irrigable area, a scale drawing of the property should be submitted.
- 2) MOWD staff will review the information provided and advise the customer whether or not the letter is sufficient and complete. Prior to Board consideration, a site visit will be required by MOWD representatives to verify the information submitted by the waiver applicant. If staff determine that the request has merit, he/she will submit the request to the Board at the next regularly scheduled Board meeting. If staff determine that the written request is inadequate or without merit, he/she will advise the applicant to provide additional information or justification. The applicant may then provide the additional information in a new or supplemental letter, or may decide to submit his/her original letter to the Board as-is.
- 3) Depending on the complexity of the situation or other factors, staff may send the request to the District's Allocation Committee for discussion and review. The committee would normally make a verbal recommendation to the full Board.
- 4) As a condition for granting a waiver, MOWD may request that the customer implement reasonable on-site water conservation measures to offset the effects of the waiver. Any additional allocation amount would be subject to implementation of those measures.
- 5) At its next regular Board meeting, the Board will review the submitted information. The applicant may present his/her arguments at the meeting in person, or by

representation by a third party. At the applicant's request, staff may present the information to the Board. The Board may grant the request as presented or make modifications, or the Board may deny the request, at its sole discretion. This topic would be discussed in open session with public attendance unless special conditions apply. The final Board decision will be made by voice vote and will be recorded in the minutes of the meeting. If an additional allocation is granted, a confirmation letter will be provided to the applicant.

6) The customer could appeal a Board decision on a waiver request by writing another letter to MOWD presenting any new relevant facts or arguments.

PLEASE CALL US AT (805) 646-2114 IF YOU HAVE ANY QUESTIONS.