



New Meters & Expansion of Services Committee Agenda

January 6, 2022 at 2:00 pm.

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Right to be heard: Members of the public have a right to address the Board directly on any item of interest to the public that is within the subject matter jurisdiction of the Board, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of Section 54954.2.

Please Note: If you have comments on a specific agenda item(s), please fill out a comment card and return it to the Board Secretary. The Board President will call on you for your comments at the appropriate time, either before or during the Board's consideration of that item.

If you require special accommodations for attendance at or participation in this meeting, please notify our office 24 hours in advance at (805) 646-2114

(Govt. Code Section 94594.1 and 94594.2 (a))

A. Call To Order

B. Public Comments

C. Discussion Items:

a. Discussion and development of draft "New Meters and Expansion of Services" policy

D. Closed Session Items: None.

E. Adjourn

→At the Board meeting we will discuss and may tentatively approve the policy on New Meters for Affordable Multiple Family Dwellings starting on p. 3.

Meiners Oaks Water District

Interim Policy on New Meters and Expansions of Service

DRAFT

February 10, 2019

Introduction

Despite some recent rain, MOWD is still in a Stage 3 drought. Since 2013, MOWD has, at times, taken 100% of its water supply from its backup water supplier, Casitas MWD. MOWD has no additional water supply to support increased demands, except through the auspices of Casitas MWD.

The current drought has called into question the safe yield of Lake Casitas. This issue is under review and may affect the reliability of MOWD's future water supply.

A *Groundwater Sustainability Plan* is being developed to ensure that groundwater pumping does not exceed safe yield. In addition, the State has initiated a process to determine the water needs of fish in the Ventura River, which may also reduce our local water supply by an unknown amount. To develop additional supplies, Casitas MWD is pursuing two new projects: the importation of State water and a new "VerBo" well. Similarly, MOWD is considering new water supply projects: a new "cold water" well and nitrate removal at Well No. 8.

Until information on these projects becomes available, MOWD is uncertain of its future water supply reliability. Therefore, MOWD adopts the interim measures in this policy document until the reliability of its future water supply is secured.

Scope of This Policy

MOWD's Allocation Program (AP) applies to existing customers and their existing/historical levels of water demand. A waiver program within the AP provides for adjustments to allocations, if justified. This *Policy on New Meters and Expansion of Service* applies to new construction, new businesses, new water uses, and to existing customers who wish to increase their water use above prior levels.

Subject to future Board action, it is intended that this policy will remain in effect even after the end of the current drought.

Categories of meters within MOWD

MOWD serves water to existing residential, commercial and agricultural customers. MOWD's interim policy for will-serve letters, new meters, and expansion of service is discussed below for each meter category.

Existing Residential Meters (Including Those Serving Existing Additional Dwellings Units)

Residential allocations are determined as specified by the Allocation Program, AP, then in effect. Any modification to customers' assigned allocation amounts shall be approved by the Board using the waiver process provided in the AP. Except as provided through the waiver process, no additional allocations may be acquired from MOWD or purchased from Casitas MWD by existing residential customers, until we can be assured of an adequate, secure water supply in times of drought.

Any residential customer with an existing meter who constructs a remodel, room addition, garage conversion, attached accessory dwelling, etc., does not require a will-serve letter from MOWD for those purposes and may continue to receive water from the existing meter. However, the meter will not be upsized, nor will any additional water allocation be granted for these purposes.

Existing Commercial Meters

Commercial allocations are determined as specified by the AP then in effect. Any modifications to allocation amounts to meet current demands are to be approved by the Board using the waiver process provided in the AP. Except as provided through the waiver process, no additional allocations may be acquired from MOWD or purchased from Casitas MWD by existing commercial customers, until we can be assured of an adequate, secure water supply in times of drought.

Existing Agricultural Meters

Agricultural allocations are determined as specified by the AP then in effect. Any modifications to allocation amounts shall be approved by the Board using the waiver process provided in the AP. Except as provided through the waiver process, no additional allocations may be acquired from MOWD or purchased from Casitas MWD by existing agricultural customers, until we can be assured of an adequate, secure water supply in times of drought.

New Residential Meters for New Primary Dwellings

No new Will-Serve Letters will be issued and no new residential meters will be installed for future, new primary dwellings within MOWD, until we can be assured of an adequate, secure water supply in times of drought.

New Meters for New Second Dwelling Units

Until Casitas MWD declares that an adequate water supply from Lake Casitas cannot be demonstrated, in accordance with County of Ventura Ordinance No. 4519 Sec. 8107-1.7.2q, MOWD will issue Will-Serve letters for new second dwelling units, when built on property with an existing primary residence served by an existing MOWD meter. The second dwelling unit must be permitted by the County. It is MOWD's policy that new, separate meters are required for each new, detached accessory dwelling. MOWD will install the new meter after all requirements of the Will-Serve Letter have been met. The monthly fixed baseline allocation for the second dwelling will be set at 7 Units/mo; no variable baseline allocation will be allowed. At the same time, the variable baseline allocation for the primary residence will be reduced by 120 Units/yr. (The fixed baseline allocation of 10 Units/mo for the primary residence will not be reduced.) A Will-Serve Letter will be issued only if the existing meter for the primary residence has sufficient allocation to support the second dwelling without a net increase in water usage.

In accordance with the County ordinance, this policy applies only to lots with at least 20,000 SF of total area. That ensures that the variable allocation of the primary residence is large enough to support the second dwelling unit without an overall increase in water demands. In addition, there is a limit of one second dwelling unit for each customer's lot with an existing primary dwelling unit on that single lot.

It is also MOWD's policy that additional allocations will not be provided to a customer who has completed a lot split after the adoption of this policy and the Allocation Program. Note that the County does not normally notify MOWD of lot splits. This issue would typically be brought to MOWD's attention by a customer requesting revised allocations for the new amended lot(s).

New Meters for Affordable Multiple-Family Dwellings

In consideration of the current housing shortage in California, MOWD will consider issuing Will-Serve Letters, on a case by case basis, for new multiple-family dwellings or new mobile home parks of 5 or more units that dedicate 100% of their units for affordable housing as defined in Section 50052.5 of the California Health and Safety Code.

The following information shall be required before the Board will consider such a Will-Serve Letter: A letter in writing describing the project in detail and summarizing available information on it; a project site plan; any Initial Study done for environmental review; a project schedule; a Net Zero Plan for water supply mitigation, including a plan that guarantees their long-term maintenance and viability; and a detailed description of what is requested from MOWD.

The following procedures and conditions shall apply:

- 1) The assigned baseline allocation shall be the larger of the project proponent's County-approved water demand estimate or a baseline allocation calculated using the MOWD Allocation Program then in effect. MOWD reserves the right to develop its own water demand projections for the project.
- 2) MOWD's Board would approve by vote whether or not to issue a Will-Serve Letter for the proposed development, and what conditions shall apply. Those conditions shall include a project schedule and payment of a MOWD connection fee adequate to fund a portion of additional water supply facilities.
- 3) The project proponent shall purchase and obtain from Casitas MWD an allocation for lake water equal to or exceeding the above-defined assigned baseline allocation. The project proponent is responsible for negotiating a sales agreement with CMWD including cancellation and buyback provisions.
- 4) MOWD's conditional Will-Serve Letter will be issued once MOWD receives written confirmation from Casitas MWD that they have approved the sale and issuance of the allocation from Casitas MWD. Once this written confirmation is received by MOWD, the project proponent will have two years to purchase the CMWD allocation and have it transferred to MOWD, or the Will-Serve Letter will be invalidated.
- 5) MOWD will install the meter only after the CMWD allocation has been purchased by the project proponent and assigned to MOWD by CMWD in writing, and after all other conditions imposed by MOWD have been met.
- 6) To ensure the developer's compliance with MOWD's conditions, MOWD may require the developer to provide a suitable bond to ensure conformance.
- 7) Once the CMWD allocation has been transferred to MOWD, the Will-Serve Letter will remain valid for 10 years. Otherwise the Will-Serve Letter will expire in 2 years.

Will-Serve Letters for new Multiple-Family dwellings will be limited to one per year, on a first-come-first-served basis as determined by the date of the first written confirmation from Casitas MWD as outlined in (4) above.

New Commercial Meters

No Will-Serve Letters will be issued and no new commercial meters will be installed, until we can be assured of an adequate, secure water supply in times of drought.

New Agricultural Meters

It is MOWD's policy that no new agricultural meters will be installed by MOWD. An exception may be considered when the new meter is a replacement for convenience only and will not support additional water demands (above pre-drought levels) and will not support increases to planted acreage. Any new agriculture within MOWD would have to be supplied from private wells, until we can be assured of an adequate, secure water supply in times of drought.

Unique Customer Conditions

Some customers may have unique conditions not clearly encompassed within the preceding categories. Some projects might offset existing water demands in some way. The Board will consider such unique cases providing a way is found to offset any future demand increases above historical levels with reduced irrigation etc. The customer must provide a letter explaining his/her unique circumstances and the proposed solution.

Other Related Policy Issues**Allocations Subject to Change**

All assigned allocations are subject to change by Board action, if required due to worsening drought, new State laws, changes to the policies of Casitas MWD, etc.

Net Zero Impact of New Development

As a condition for obtaining approvals for new development, the County of Ventura may require a "Net Zero Impact" for the development. MOWD may also impose a Net Zero Impact requirement before issuing a Will-Serve Letter. Under that requirement, the developer must retrofit other facilities and provide water conservation off-site to compensate for proposed water use by the development.

Before MOWD will issue a Will-Serve Letter to a developer who has a Net-Zero Impact requirement, the developer must commit to implementing the associated mitigation within the boundaries of MOWD in a way that reduces water demands on MOWD. The Will-Serve Letter will include a condition that the meter will not be installed until the mitigations within MOWD have been completed and certified by the County.

In addition, a project proponent shall provide a detailed plan that guarantees the long-term viability of the Net Zero Impact measures implemented. Approval of this plan by the County and by MOWD is required before a conditional Will-Serve Letter will be approved by MOWD.

Tiny Homes

Tiny homes (under 500 SF) with permanent foundations will be treated the same as other types of homes, whether existing or new, primary or secondary residences, etc., except that the monthly fixed baseline allocation will be set at 5 Units/mo, as established in the Allocation Program. This policy applies only for County-permitted tiny homes.

Validity Dates of Outstanding Will-Serve Letters

Prior to the current drought, MOWD issued some Will-Serve Letters without expiration dates. With current water supply limitations, those letters committed MOWD to deliver water it does not have available. Therefore, MOWD hereby adopts a policy that all outstanding Will-Serve Letters without expiration dates will expire (or have expired) 5 years after the date of issuance. If a Will-Serve Letter does not have an issue date on it, MOWD will assign an issue date based on associated correspondence.

Once a Will-Serve letter has expired, the Board may consider issuing a new Will-Serve letter to that customer with updated terms and conditions that incorporate the latest information on drought reliability, water allocations, drought stage and the requirements of Casitas MWD. The customer should apply for the replacement Will-Serve letter and provide all relevant project information. The Board will use its discretion to decide whether or not to issue a new letter.

New Meters for Affordable Multiple-Family Dwellings

In consideration of the current housing shortage in California, MOWD will consider issuing Will-Serve Letters, on a case by case basis, for new multiple-family dwellings or new mobile home parks of 5 or more units that dedicate 100% of their units for affordable housing as defined in Section 50052.5 of the California Health and Safety Code.

The project would proceed with the following steps:

1) Initial Submittal to MOWD

The following information shall be submitted to MOWD before the Board will consider a Will-Serve Letter:

- ◆ A letter in writing describing the project in detail and summarizing available information on it.
- ◆ A project site plan.
- ◆ A calculation of the baseline water allocation for that project.
- ◆ A description of water metering arrangements for the project.
- ◆ Any Initial Study or CEQA documents prepared for environmental review.
- ◆ A detailed project schedule.
- ◆ A Net Zero Plan for water supply mitigation, including a plan that guarantees their long-term maintenance and viability.
- ◆ A detailed description of what is requested from MOWD.

Before formally submitting this information to the Board, it is recommended that the project proponent meet with the general manager and possibly with a Board committee, at the general manager's discretion. The general manager may make recommendations of additional information that should be provided.

2) Determination of Project Requirements

After reviewing the submitted project application, the Board will make a determination by voice vote at a regularly scheduled Board meeting whether or not (a) the information is adequate (b) the proposed project meets MOWD's requirements for a Will-Serve Letter for affordable housing, and (c) the project would be allowed to proceed to the next stage of the process. The required baseline allocation would also be approved. The Board may impose additional requirements on the project at that time. MOWD reserves the right to develop its own water demand projections for the project. The Board will impose a connection fee that reflects the cost of developing new well capacity.

3) Confirm Allocation Available from Casitas MWD

MOWD must receive a written letter from Casitas MWD confirming that they will approve the purchase of the required baseline allocation by the project proponent and, after its purchase, a transfer of the baseline allocation to MOWD's account. The amount of baseline allocation shall be the larger of the project proponent's County-approved water demand estimate or a baseline allocation calculated using the MOWD *Allocation Program* then in effect.

4) Board Approval of the Will-Serve Letter

Once written confirmation is received that Casitas MWD is willing to allow the project proponent to purchase the necessary baseline water allocation and to transfer that allocation to MOWD, then MOWD will approve issuance of the Will-Serve Letter to the project proponent. Approval shall be by voice vote at a regularly scheduled MOWD Board meeting.

5) Issue Will-Serve Letter

Once Board approval is obtained, the general manager will provide the project proponent with a written Will-Serve Letter. The letter will expire after two years, but may be extended with Board approval. MOWD's connection fee must be paid, or a bond provided, before the letter will be issued.

6) Acquire Allocation from Casitas MWD

Within 2 years, or more if an extension is granted, the project proponent shall purchase a baseline allocation from Casitas MWD and arrange for its transfer to MOWD. The project proponent is responsible for negotiating a sales agreement with CMWD including cancellation and buyback provisions in case the project is abandoned.

7) Install the Water Meter(s)

The water meter(s) for the project will be constructed and activated once the allocation from Casitas MWD has been received by MOWD, and all other project requirements have been met.

Other Requirements

- 1) To ensure the developer's compliance with MOWD's conditions, MOWD may require the developer to provide a suitable bond to ensure conformance.
- 2) For multiple-family dwelling units, it is preferable for each apartment to have a separate water meter. The Homeowners Association may have a separate meter for communal landscape irrigation. The total baseline allocation will be distributed among those meter in an appropriate manner.

3) Will-Serve Letters for new Multiple-Family dwellings will be limited to one per year, on a first-come-first-served basis, as established by Step 2 above. (Completing Step 2 provides evidence that the project is a serious one.) If the quota for these projects is filled, the project proponent may wait until space becomes available. Nevertheless, to maintain priority the project proponent must make regular progress in advancing the project. Priority will not be granted for projects that are not serious.