

Meiners Oaks Water District

New Meters and Expansions of Service Policy

Adopted 12/20/2022 Revised 06/20/2023

A. Introduction

This *Policy on New Meters and Expansions of Service* applies to existing and potential customers of Meiners Oaks Water District (MOWD) who wish to build a new residence, Accessory Dwelling Unit (ADU), or business, or who need a new or larger water meter. The following categories are covered:

- A new residence or structure requiring service on an empty lot.
- A new Accessory Dwelling Unit (ADU) structure on a lot with a primary residence.
- Garage conversion into an ADU.
- Multiple-family dwelling units.
- Affordable housing.
- Construction of a new business.
- Expansion of an existing business.
- Agricultural demand limits.
- Lot splits

This policy describes requirements and procedures for applying for new or larger meters. If all applicable conditions are met, Meiners Oaks Water District (MOWD) will provide an Applicant with a Will-Serve Letter. A Will-Serve Letter means that MOWD intends to supply water service to that parcel for the legal structure(s) referenced in the letter.

As a recent spate of Will-Serve Letter requests has demonstrated, it is difficult to envision every possible project configuration. Therefore, this Policy must be considered a “living document,” subject to future revisions by the Board. It provides only a guide to MOWD’s Board, who retain the authority to revise and adjust the Policy and its implementation.

B. Background

- Though the development of this policy was motivated by the current drought (2013-22), it is intended for the policy to remain in effect after the drought ends.
- Due to the State-wide housing shortage, State and local legislators have passed laws to ease the construction of new housing and ADUs. Portions of those laws apply to MOWD.

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- MOWD depends on Casitas Municipal Water District (Casitas MWD) for backup and emergency water supply. Therefore, any water connection to MOWD is also a connection to Casitas MWD's water supply, and appropriate connection and/or allocation fees must be paid to Casitas MWD. This policy allows prospective and current customers to acquire additional allocation by funding the acquisition of additional allocation from Casitas MWD for transfer to MOWD, under limited conditions.
- MOWD has a limited water allocation from Casitas MWD and has no surplus groundwater supply or excess allocation available to support increased demands.
- The current drought (2013-22) has called into question the safe yield of local groundwater and Lake Casitas. This issue is under review and may affect the reliability of MOWD's future water supply. Information developed by the Upper Ventura River Groundwater Agency will guide this process.

Water Supply Limitations on Will-Serve Letters and New Meters

In October 2013, for the first time ever, MOWD's wells nearly dried up and we had to rely on Casitas MWD for 100% of our water supply. Such emergency use of water from Lake Casitas has occurred several times since then, as the current drought persists. This exercise has confirmed that MOWD's existing wells, by themselves, cannot provide a guaranteed supply of water for its customers during severe droughts.

Meanwhile, the current drought has called into question the safe yield of Lake Casitas – the amount that can be withdrawn each year without the lake going dry. Normally, the projected yield of water resources is based on the worst historical drought of record. Unfortunately, we are now experiencing the worst historical drought, and until it ends, we cannot be sure of the future safe yield of the lake.

Furthermore, Casitas MWD has been adjusting the estimate of their safe yield. Their *Comprehensive Water Resources Plan* [Draft Casitas Municipal Water District *Comprehensive Water Resources Plan* (CWRP), by Stantec, Draft, June 8, 2020] analyzes the statistical probability of Lake Casitas going dry. The report includes an Appendix E, *Draft Analysis of the Risk of Lake Casitas Being Drawn Down to the Minimum Pool Level*, Technical Memorandum. Appendix E estimates a 6% chance of Lake Casitas falling below minimum pool, if the water demand reductions of Casitas MWD's *Water Efficiency and Allocation Program* are attained. Thus, water from Lake Casitas cannot be 100% guaranteed as a backup supply for MOWD.

In consideration of the uncertain reliability of its two major water sources – its wells and Lake Casitas – the Board of MOWD has adopted the following policy to regulate the issuance of Will-Serve Letters and new meters:

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For any project proposed by an existing customer, two outcomes are possible:

1) Existing Allocation is Adequate

Each MOWD water meter has an assigned baseline water allocation for the property served by the meter. Customers may change their types of water use so long as the total water use does not exceed the original allocation amount reduced by drought stage. For example, a customer may supply water to an ADU by removing irrigated landscaping or part of an orchard.

If a customer wishes to build a new structure that requires a Will-Serve Letter from MOWD, then the procedures outlined elsewhere in this Policy must be followed. If MOWD determines that the existing baseline allocation is adequate to serve the proposed new structures, along with existing water demands on the property, then a conditional Will-Serve Letter may be issued after Board approval, and a new meter may be installed after all conditions are met.

2) Existing Allocation is not Adequate

If, during review of the project, MOWD staff determine that the existing allocation for a meter is not sufficient to support a new dwelling or water use, or if the project Applicant is not an existing customer, then the project Applicant would be required to fund the acquisition of additional allocation from Casitas MWD, for transfer to MOWD. However, in recognition of drought-related water shortages, such allocation acquisitions and transfers from Casitas MWD will not be allowed under either of the following conditions:

During declared Drought Stages 2 through 5, when the level of Lake Casitas falls below 50% of capacity on April 1, or is projected to fall below 50% during the following fiscal year (July 1 through June 30) under average hydrologic conditions.

If and when MOWD has had to rely on Casitas MWD for 100% of its water supply at any time during the previous 12 months.

These limitations on new dwellings, meters and expansion of service are referred to in this Policy as “Water Supply Limitations.”

When Lake Casitas is between 50%-70% of capacity and MOWD’s wells have been able to supply its demand for the preceding 12 months, Project Applicants will be allowed to fund the acquisition of additional allocation from Casitas and proceed with their projects as outlined in this policy, subject to final Board approval.

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When Lake Casitas is between 70%-80% of capacity, Project Applicants may be allowed to fund the acquisition of additional allocation from Casitas and proceed with their projects as outlined in this policy. In this stage, MOWD will not issue more than 1-acre foot of water per year, and applicant may not purchase more than 20% of an acre-foot of water per account, subject to final Board approval.

Although the project Applicant must fund the additional allocation transferred to MOWD, it is important to recognize that MOWD retains its right to manage the allocation for the benefit of all of its customers.

May be subject to change under Emergency Conditions, as determined by the Board of Directors.

C. General Conditions and Requirements

To apply for a new meter and/or a Will-Serve Letter, the following conditions must be met:

- The parcel to be served must be located within the boundaries of Meiners Oaks Water District.
- The lot must be a legal lot that complies with the Subdivision Map Act and Ventura County's Subdivision Ordinance and has been issued a Certificate of Compliance.
- The County of Ventura must fully permit any dwelling or structure to be supplied with water.
- Any proposed new dwelling or structure must receive building permits from the County of Ventura before a new or larger meter is installed.
- Application fees, connection fees, allocation fees, and any other fees due and/or required must be paid to MOWD before a meter will be installed. Installation of new water service lines will be performed by a MOWD-approved contractor, to be paid by the Applicant.
- The customer must not be in arrears for previous water bills. Payback plans are available to help customers pay the amounts owed to the District.

D. Application Process

Before submitting a formal application, Applicants are encouraged to talk to MOWD staff to understand the application process and requirements prior to proceeding. MOWD will inform the Applicant of a preliminary estimate of the adequacy of any available water allocation already in place for the Applicant's parcel. After MOWD informs the Applicant of existing water allocation for the Applicant's meter, and before an application can proceed further, the Applicant must pay a non-refundable application fee to MOWD (*See Water Services Policy provided in Appendix A*).

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To request a new meter or a Will-Serve Letter, a Project Applicant must provide MOWD with the following information:

- Ventura County Assessor's Parcel Number(s) for affected properties. (Note: Adjacent properties owned by a single landowner may be aggregated for the purpose of reassigning water allocations);
- Street addresses for the affected properties (parcel, lot);
- MOWD account number(s) for existing water meter(s) (found on your water bills).
- A brief description of the historic water uses since 2010: residential, irrigation, orchards, pools, etc;
- A description of changes that will be made to the property: new dwellings, commercial use, etc. The Applicant should provide a plot plan to scale, showing the property's existing and future land uses, including future dwellings, structures, and newly irrigated areas.
- An estimate of future water uses on the property, if available. The Applicant should understand that water use above the current allocation poses a burden on the entire District and its customers and that such use above the current allocation will incur a greater cost and, in the event of further drought restrictions, possible limitations to service.

In summary, the District should be provided with sufficient information to evaluate the impact of the proposed land use on its future water demands. The attached Will-Serve Request Form (*provided in Appendix B*) should be used as a template, with attachments as needed to describe the proposed project.

E. Customers' Existing Allocations

Each of MOWD's existing customer accounts has an assigned water allocation. A customer's baseline allocation (before reduction during drought stages) is comprised of fixed and variable allocation portions. The fixed allocation is typically 10 HCF/month for a primary residence, roughly corresponding to indoor water use, and is normally not reduced during drought stages. The variable part of the allocation roughly corresponds to outdoor water use and is reduced during drought stages. MOWD's *Allocation Program* is posted on its website. In addition, customers may use the allocation calculator on MOWD's website to confirm the allocation assigned to their account number.

F. Determination of Allocation Adequacy

Before an application is filed with MOWD, a determination should be made by MOWD staff whether the Applicant's existing water allocation is adequate to support the new dwelling or land use. If the existing allocation is adequate, then the allocation (fixed and variable) will be reassigned within the property. Approval by MOWD's Board will be required for the allocation

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reassignment, but no additional allocation will need to be acquired to proceed with the Will-Serve Letter and new meter, if needed.

As an example of how this works, consider an existing residence on a large lot with a total baseline allocation of 300 HCF/year, consisting of 120 HCF/yr fixed allocation and 180 HCF/yr of variable allocation. Now suppose the homeowner wishes to build an ADU on the property. The fixed allocation for an accessory dwelling is 7 HCF/month or 84 HCF/yr. It turns out that a fixed allocation of 84 HCF/yr is equivalent to a variable allocation of 100 HCF/yr over a long-term drought cycle since the variable allocation is reduced with the drought stage, whereas a fixed allocation is not. So, to offset the water use of the proposed ADU, 100 HCF/yr would be subtracted from the variable allocation for the property. The results would be as follows:

Example of an Allocation Reassignment

| Category of Water Use | Existing Allocation (HCF/yr) | Reassigned Allocation (HCF/yr) |
|-------------------------------|-------------------------------------|---------------------------------------|
| Primary dwelling (Fixed) | 120 | 120 |
| Outdoor irrigation (Variable) | 180 | 80 |
| ADU (Fixed) | | 84 |
| TOTAL | 300 | 284 |

HCF = 100 cubic feet = 746 gallons

The above example shows that the property has enough water allocation to support a second dwelling (ADU). Therefore, the property owner must reduce outdoor irrigation – or other water uses – to offset the water use of the new dwelling.

G. Acquiring Additional Allocation

In the previous example, a large lot has a sufficient allocation to support a second dwelling. In the case of small lots, however, there may not be sufficient irrigation use to offset the new water demand of a second dwelling. Therefore, the adequacy of the existing allocation to support changes in land use will have to be determined by MOWD on a case-by-case basis.

If a property does not have a sufficient water allocation to support a new dwelling or land use by reassigning existing allocations, it is MOWD's policy that an additional allocation may be acquired from Casitas MWD when such allocation is available and when the Water Supply Limitations previously described are not in effect. Information on this program can be found in Casitas MWD's *Water Efficiency and Allocation Program*, or WEAP, as cited below and posted on their website:

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Water Efficiency and Allocation Program (WEAP), Prepared by Casitas MWD, May 12, 2021. The relevant portions of Casitas MWD's WEAP are reproduced below:

4.7 Availability of Allocations

The determination of supplies being available for issuance of new allocations of water shall be made upon staff recommendation at a regular Board of Directors meeting. The determination that water is or is not available shall be within the determination of the Board of Directors. The determination that a supply is available shall be based upon more detailed information about existing supplies, the availability of new supplies, new water supply projects, or contracts or proposed contracts for additional supplies where, in the opinion of the Board of Directors, the supply of water is definite enough to provide the assurance to the County of Ventura that there is a forty-year supply.

4.8 Allocation for New or Expanded Water Uses

A customer may request a change to a water allocation assignment for the purposes of obtaining new or expanded use of water that is associated with a new building permit, new or existing conditional use permit, or agricultural irrigation acreage expansion. The approval of an addition or change to the limits of available water allocation are subject to the charges for new and/or expanded water allocation.

When the Board of Directors determines that additional new water supplies are available, either from the safe yield of the existing CMWD project supply or additional new supplies, supplies shall be allocated in accordance with the following criteria:

No single property owner or Applicant for the given type of service (municipal, industrial or agricultural) shall receive a new water allocation greater than 10 percent of the total new available supply or the minimum standard residential allocation, whichever is greater. If the Applicant's allocation requirements are not fully met, the Applicant may maintain a position of priority until more water is available.

All applicants seeking an allocation shall provide Casitas with a detailed description of the project, the use of water for which the water is sought, and information on peak flow and annual water requirements. Casitas shall determine meter size and amount of allocation based upon reasonable and necessary needs and Casitas' Rates and Regulations.

The amount of water to be allocated shall be at Casitas' sole discretion. The assignment of an allocation shall be limited to the availability of water from the Lake Casitas safe yield and be based on current water demand factors as adopted by the District and as amended. The amount of water required for the project may be calculated and submitted for the consideration of Casitas by a civil engineer registered in the State of California representing the project proponent.

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When the Water Supply Limitations previously described are not in effect, and at the sole discretion of MOWD's Board of Directors, the process would generally proceed as follows:

- The Project Applicant will submit a detailed written application to MOWD, as previously described.
- The Applicant will discuss the project with District staff, who will provide a preliminary assessment of the adequacy of available allocations, or whether additional allocation must be purchased from Casitas MWD.
- If the Applicant is still interested in proceeding with an application, they must pay the MOWD application fee, and the formal application process will begin.
- MOWD will advise the Applicant in writing how much additional allocation must be acquired from Casitas MWD for the project.
- MOWD staff would then meet with Casitas MWD and receive some sort of written assurance that sufficient additional allocation is currently available for MOWD to acquire from Casitas MWD.
- Once MOWD has heard from Casitas MWD that additional Casitas allocation is available and that the Applicant is eligible to fund it. MOWD will provide the Applicant with a Conditional Will-Serve Letter. The conditions in the letter will include the following:
 - A new or larger meter will only be installed after the Applicant has paid MOWD for the new allocation and after MOWD has received full credit for the additional allocation transferred from Casitas MWD.
 - The Applicant's water allocation(s) will be formally reassigned only after MOWD has received full credit for the additional allocation transferred from Casitas MWD.

H. Minimum Allocation To Be Acquired from Casitas MWD

It is not reasonable to saddle future MOWD customers with unreasonably low allocations. Therefore, if the existing allocation is not sufficient to serve a new dwelling, then a minimum allocation should be acquired from Casitas MWD when Water Supply Limitations are not in effect. The minimum baseline allocation should be calculated for a property using the procedures provided in MOWD's Allocation Program. The existing allocation plus the new allocation acquired from Casitas MWD must together be adequate to supply the baseline allocation calculated for the property using the Allocation Plan procedures. The calculated allocation should consider any irrigable area removed from service due to the footprint of any new dwelling or structure.

Example: Suppose a Project Applicant wishes to construct an ADU on a property with 120 units of fixed allocation and 90 units of variable allocation. There is not enough variable allocation to support the ADU's 100 units of equivalent variable allocation. The

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Applicant might propose acquiring an additional 10 units per year, leaving no allocation for outside irrigation. However, in this case, once the threshold for acquiring Casitas MWD water is reached, the Applicant would have to fund sufficient allocation from Casitas MWD to achieve the allocation for the property that would be calculated using the Allocation Program. Suppose the footprint of the ADU reduces the variable allocation from 90 to 50. Then the allocation amount to be acquired from Casitas MWD would be $120 + 100 + 50 - (120 + 90) = 60$ units.

I. Conditional Will-Serve Letters

MOWD's Board may approve a Will-Serve letter with certain conditions. Those conditions apply to the installation of the water meter. In general, the meter will be installed after building plans are approved by the County, and any allocation transfer from Casitas MWD has been finalized.

Until an allocation transfer from Casitas MWD is completed, excess water use from an existing meter may be subject to an over-allocation penalty.

J. What if Casitas Has No Allocations Available?

Casitas MWD's *Water Efficiency and Allocation Program*, normally posted on Casitas MWD's website, provides for the purchase of additional allocations for new dwellings. In recent years, the total amount of new allocation has been limited to 10 AF/year of new baseline demand. That is not much new demand compared to a pre-drought district-wide demand of nearly 20,000 AF/yr.

Suppose Casitas MWD does not have sufficient allocation available for purchase. In that case, a Project Applicant may have to wait until allocation becomes available in the following year or until drought conditions end. The availability of surplus allocation is at the sole discretion of Casitas MWD.

K. Separate Meter for an ADU

We acknowledge that to encourage water conservation it is preferable for a new accessory dwelling to have a separate meter from the primary residence. This is especially true when the ADU will be rented. However, additional meters can cause complexities that vary from customer to customer. Therefore, it is MOWD's policy to be flexible on the need for an additional meter for an ADU. After evaluating an application, a determination will be made by MOWD staff, to be approved by the Board, on whether a project requires a second meter. The Board strongly recommends a customer to install a "submeter" to manage water use by a tenant. The general guidelines of this Policy are as follows:

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1. A stand-alone ADU may require a separate meter for the ADU, when special circumstances exist.
2. An ADU constructed almost entirely within the footprint of an existing structure is not normally required to have a second meter.
3. If a Project Applicant wishes to have a second meter for an ADU constructed within the footprint of an existing structure (to manage water used by a renter, for example), then the Applicant may request the second meter and pay for its installation.

When a second meter is not required but would help improve water conservation, customers are encouraged to install and read their own “sub-meters,” to manage water use by a renter, for example.

K. Categories of meters within MOWD

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

Existing Residential Meters

The MOWD Board believes that MOWD's Allocation Program is sufficient to supply the water needs of a typical family with a reasonable amount of outdoor irrigation. Residential customers who need more water to support a business could consider acquiring a commercial meter when available. The procedures for acquiring a new commercial meter would be followed, including review and approval by the Board of Directors.

Existing Residential Meters – Small Remodels

Any residential customer with an existing water meter who constructs a remodel, room addition, garage conversion, etc., which does not require a will-serve letter from MOWD to obtain building permits, may receive water from the existing meter for those new purposes. However, no additional water allocation will be granted for those purposes. Outside irrigation must be reduced to stay within allocation limits, and the customer would pay over-allocation penalties for over-usage of water.

Existing Commercial Meters

Commercial baseline water allocations are determined as specified by the Allocation Program. The Board may approve any justifiable modifications to the allocation amount using the waiver process provided in the Allocation Program. If any existing commercial customers plan to expand their business and need to increase their water allocation, and

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when the Water Supply Limitations are not in effect, a customer may fund additional allocation from Casitas MWD for transfer to MOWD.

Existing Agricultural Meters

MOWD serves several agricultural customers. Until we can be assured of an adequate, secure water supply in times of drought, MOWD will not encourage or provide for any increase in water demand for existing agricultural customers.

Agricultural allocations are determined as specified by the Allocation Program in effect. The Board shall approve any modifications to allocation amounts using the waiver process provided in the Allocation Program. Except as provided through the waiver process of the Allocation Program, no additional allocations may be acquired from MOWD or from Casitas MWD by existing agricultural customers.

New Residential Meters

New residential meters may be provided to new customers with empty lots. If the property does not have a MOWD baseline allocation, and when the Water Supply Limitations are not in effect, the Project Applicant may fund an allocation from Casitas MWD for transfer to MOWD. The new meter will be installed after all fees have been paid. Any new service lines must be installed by a MOWD-approved contractor at the customer's expense.

If the proposed project includes a new primary dwelling and an ADU, then the available allocation transfer must be adequate for both. Depending on the site layout, the District will determine whether two separate water meters will be necessary.

New Stand-Alone Accessory Dwelling Units

An existing customer may wish to construct a stand-alone ADU separate from the primary dwelling. Suppose the existing water allocation can be redistributed between the primary dwelling and ADU, with some leftover for outside irrigation. Then the existing allocation is adequate, and a Will-Serve Letter may be issued. Depending on the site layout, the District will determine whether 2 different water meters and service laterals will be necessary. When the Water Supply Limitations are not in effect, the customer may fund additional allocation from Casitas MWD for transfer to MOWD.

New ADU Conversion

If a new ADU is constructed mostly within the footprint of an existing dwelling, as described in Section 65852.2 of the CA Government Code and Ventura County Ordinance 2020-003, and if the water allocation assigned to the parcel is adequate to support a new ADU, then MOWD will issue a Will-Serve letter. This will not require a separate meter and water service line for the ADU. No connection fee will be charged. If

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the customer wishes MOWD to install a separate sub-meter for convenience, that would be done at the customer's expense.

If a Project Applicant's existing baseline allocation is not sufficient to support a new ADU conversion, then additional allocation may be acquired from Casitas MWD, subject to the Water Supply Limitations described in this Policy.

New 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, ADU, 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 to County-permitted tiny homes.

New Commercial Meters

A Project Applicant may receive a new commercial meter to support a new or expanded business. If the property does not have a MOWD baseline allocation, the Project Applicant will need to fund additional allocation from Casitas MWD when the Water Supply Limitations are not in effect, as described in the preceding sections.

New Agricultural Meters

It is MOWD's policy that MOWD will install no new agricultural meters. 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) nor 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.

New Meters for Affordable Housing Multiple-Family Dwellings

Considering 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.

State law requires agencies to prioritize affordable housing, so the steps are provided in some detail below. A proposed project would proceed with the following steps:

I. Initial Submittal to MOWD for New Affordable Housing

The following information shall be submitted to MOWD for approval of the MOWD Board for consideration of a Will-Serve Letter:

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- A detailed written description of the project;
- 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 discussion of any Net Zero Plan for water supply mitigation, including a plan that guarantees its long-term maintenance and viability; and
- A detailed description of what is requested from MOWD.

Before formally submitting this information to MOWD Board, it is recommended that the project Applicant meets with MOWD 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.

II. 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 and (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, including the amount of allocation to be acquired and transferred from Casitas MWD. 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 may impose an application fee and a connection fee that reflects the cost of buying into existing facilities and developing new well capacity and related facilities.

III. Confirm Allocation Available from Casitas MWD

MOWD must receive a written notice from Casitas MWD confirming that they will approve the purchase of the required baseline allocation by MOWD 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 applicant's County-approved water demand estimate or a baseline allocation calculated using the MOWD *Allocation Program* then in effect.

IV. Board Approval of the Will-Serve Letter

Once written confirmation is received by MOWD that Casitas MWD is willing to allow the project Applicant to fund the necessary baseline water allocation and to

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transfer that allocation to MOWD (when the Water Supply Limitations are not in effect.). MOWD will consider whether to approve the issuance of the Will-Serve Letter to the project Applicant. Approval shall be by voice vote at a regularly scheduled MOWD Board meeting.

V. Issue Will-Serve Letter

Once Board approval is obtained, the General Manager will provide the project Applicant with a written Will-Serve Letter. The letter will expire after one year but may be extended with Board approval. Will-Serve letters are not transferrable between property owners, unless preapproved by the MOWD Board. MOWD's connection fee must be paid before the meter is installed.

VI. Acquire Allocation from Casitas MWD

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

VII. Install the Water Meter(s)

The project's water meter(s) will be installed and activated once the connection and allocation fees have been paid, with the service line installed by a District approved contractor at the customer's expense, and all other project requirements have been met.

VIII. Other Requirements

- To ensure the developer's compliance with MOWD's conditions, MOWD may require the developer to provide a suitable bond to ensure conformance.
- 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 appropriately among those meters, as determined by MOWD.
- 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 serious.) 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

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regular progress in advancing the project. Priority will not be granted for projects that are not deemed to be serious.

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L. Existing ADUs Not Known to MOWD

From time to time, MOWD learns that a customer has an existing ADU that MOWD was not aware of. It is appropriate to give the customer the benefit of the doubt and to assume that they were not aware that additional charges should have been paid for the ADU. In these cases the following will normally be done:

1. If the ADU was built before 2013, the ADU will be added to MOWD's database and billing system, without connection fees.
2. Fixed monthly water charges will be billed for the prior 6 months from the date MOWD learned of the ADU, and will continue to be billed into the future.
3. An adjustment may be made to the baseline water allocation for the meter, as appropriate.

L. Unique Customer Conditions

Some customers may have unique conditions not clearly encompassed within the preceding meter categories. For example, 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, purchase of allocation from Casitas MWD, etc. Applicants must provide a letter explaining their project and its unique circumstances. The Board reserves the authority to allow exceptions or adjustments to this Policy.

M. Fire Flow Requirements

Meiners Oaks Water District provides fire hydrants distributed throughout the District. These should be adequate to support most residences and new dwellings. The following requirements apply:

- Suppose a larger water meter is required on a residential or commercial property solely to upgrade fire protection to add indoor, automatic fire sprinklers without any other expectation of increased water use. In that case, no additional water allocation is required, and a more simple application process would be followed. Again, supporting documentation should be provided to MOWD by the Project Applicant.
- The Project Applicant is responsible for ensuring that the nearest fire hydrant's location meets any Ventura County Fire Protection District requirements as part of the County permitting process.
- If a new residence requires the installation of a new hydrant, the Applicant will be responsible for funding the new hydrants and associated pipelines to existing water mains.
- New residences located high on hillsides, where adequate fire pressures cannot be reliably maintained, shall require special consideration. The Project Applicant may be required to fund new facilities needed to increase pressure. Alternatively, Applicants

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may need to install their own booster pumps and tanks. The Ventura County Water Works Manual requires MOWD only to supply a minimum pressure in the water main, not at the residence.

N. Utility Connection Fees and Meter Expenses

Utility connection fees shall be established by MOWD for new meters or larger meters with significant expansions of water service. Those fees are associated with the capital cost of producing and delivering water. MOWD does not charge any impact fees as described in Section 65852.2 of the Government Code.

In accordance with Section 65852.2 of the Government Code, MOWD charges a connection fee for a stand-alone ADU, even if no second meter is installed. In accordance with Section 65852.2 of the Government Code, MOWD does not charge a connection fee for new ADUs built nearly entirely within the footprint of a primary residence. (State law allows for such an ADU to add 150 SF of new construction to improve the entryway.)

A project proponent must also pay to Casitas MWD any applicable connection fees, capacity fees or charges, allocation fees, and any other fees and charges required by Casitas MWD. (A connection to MOWD is also an indirect connection to Casitas MWD's system.)

O. Cost of Meters

The Project Applicant must pay for purchasing and installing any new meter and related facilities: corp-stop, service lateral, isolation valves, to District standards. MOWD will provide a list of approved contractors, and the Project Applicant must contract directly with one of them to do the work. In addition, the Project Applicant must pay MOWD's inspection fees.

As part of the installation of a new meter, MOWD may require such a meter to be a "smart meter," as defined in specifications to be provided by MOWD.

Once the meter is installed, MOWD will assume the maintenance cost from the water main up to and including the meter.

New Meters and Expansions of Services Policy

P. Other Related Policy Issues

I. Allocations Subject to Change

All assigned baseline and reduced drought-stage allocations are subject to change by MOWD Board action and as required due to worsening drought, new State laws, changes to the policies of Casitas MWD, etc.

II. Water Use without an Official Allocation

It is the policy of MOWD that if a customer uses water without an official allocation from MOWD, then 100% of that customer's water usage will be subject to the over-allocation penalties then in effect. In addition, if a customer has less allocation than necessary to meet demands, over-allocation penalties shall be paid for the amount of usage exceeding the allocation. This provision also applies when the customer cannot complete a transfer of additional allocation from Casitas MWD to MOWD or provide adequate documentation that the transfer has been completed.

III. 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 a 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 within the MOWD boundaries and provide water conservation off-site within the MOWD boundaries to compensate for the proposed water use by the development.

Before MOWD issues a Will-Serve Letter to a developer with a Net-Zero Impact requirement, the developer must commit to implementing the associated mitigation within the boundaries of MOWD to reduce 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 MOWD will approve a conditional Will-Serve Letter.

IV. Validity Dates of Outstanding Will-Serve Letters

Prior to the current drought, MOWD issued some Will-Serve Letters without expiration dates. However, 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, MOWD will assign an issue date based on associated correspondence.

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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 incorporating the latest information on drought reliability, water allocations, and drought stage. The customer should apply for the replacement Will-Serve letter and provide all relevant project information in accordance with MOWD New Meters and Expansion of Services Policy in affect at the time. The Board will use its discretion to decide whether or not to issue a new letter.

V. Lot Splits

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

References

Appendix A: Water Services Policy – Fees

Appendix B: Will-Serve Request Form

Appendix C: Explanation of Fixed and Variable Allocation Conversions

New Meters and Expansions of Services Policy

Appendix A: Water Services Policy- Fees

New Service Refundable Deposits

| Residential | Commercial | Agriculture |
|-------------|------------|-------------|
| \$50.00 | \$75.00 | \$150.00 |

Fines for Improper Water Use

| | Stage 1 | Stages 2 & 3 | Stages 4 & 5 |
|------------------|---------|--------------|--------------|
| First Violation | No Fine | Warning | Warning |
| Second Violation | No Fine | \$100 | \$150 |
| Third Violation | No Fine | \$100 | \$250 |
| Fourth Violation | No Fine | \$200 | \$350 |
| Fifth Violation | No Fine | \$300 | \$450 |
| >5 Violations | No Fine | \$500 | \$550 |

Penalties

| | |
|---------------------------|--|
| Delinquent Payment | 25% |
| Returned Checks | \$12 |
| Reconnect for Non-payment | \$50 (normal hours) \$150 (after hours) |
| Failure to Test Backflow | \$150 |

*Customers must provide test results within 14 days of the 3rd request or a fine may be applied and water service will be disconnected. Reconnection fees will apply

Administrative Fees

| | |
|--|----------|
| Will-Serve Letter Requests, New Meters or Expansion of Service Requests | \$100.00 |
|--|----------|

Temporary Hydrant Meter (6-month Rental Maximum)

| | |
|-------------------------|---------|
| Deposit | \$1,000 |
| Administrative Fee | \$100 |
| Usage Charge (per unit) | \$3.85 |
| Monthly WAC | \$36.00 |

New Meters and Expansions of Services Policy

Appendix A: Water Services Policy- Fees

| | 5/8" & 3/4" | 1" | 1.5" | 2" | 3" | 4" | 6" |
|-----------------|----------------|-------|-------|-------|-------|-------|-------|
| Customer Valves | \$95 | \$130 | \$238 | \$238 | | | |
| *Meter Testing | \$48 | \$53 | \$159 | \$159 | \$175 | \$175 | \$250 |

*Standard shipping rates will be applied

Lock Cutting \$150

Meter Tampering \$150 & up

Fire Flow Testing \$300/hydrant



Will-Serve/Proof of Service/Meter Request Form

A "Will-Serve" letter may be issued upon the District's completion of an analysis determining that all conditions of approval are met.

Required Attachments:

1. Drawing/sketch of project (with dimensions)
2. Tax Assessors parcel map that includes the subject property.
3. Subdivision map covering the location of the project.*
4. Documentation of existing permitted dwellings on the property.
* Clearly indicate all APNs and legal lots involved in the project. Ensure any markups to county documents do not obscure the underlying information.

Parcel Owner Information:

Account Number:

Name:

Mailing Address:

Phone Number:

Email Address:

Applicant Information:

Name:

Company:

Mailing Address: Phone

Number:

Email Address:

Project Information:

New Meter Requested: Yes No

Assessor's Parcel #(s):

Service Address:

City, State, Zip code:

Planning Dept Case #:

of Existing Dwellings:

Date Dwellings Permitted:



Will-Serve/Proof of Service/Meter Request Form

Type of Construction:

New Construction

Tenant Improvement

ADU

Other

Type of Use:

Single Family Res

Multi-Family Res (# of dwellings _____)

Other

Project Dimensions (sqft):**Detailed Project Description:**

*Please allow a minimum of 60 days to evaluate and process Will-Serve letter and new meter requests.
The time frame will depend on receipt of satisfactory information from the applicant and schedule
of pertinent District Committees and Board of Directors meetings.*

I acknowledge that MOWD will bill a \$100 Administrative Fee for processing this request.

Applicant Signature**Date**

New Meters and Expansions of Services Policy

Appendix C: Explanation of Fixed and Variable Allocation Conversions

Introduction

MOWD's Allocation Program provides each water meter with a water allocation that is composed of two parts: a fixed portion that does not normally change with drought stage, and a variable portion that is reduced during higher stages of drought. Because the variable portion is reduced with drought stage while the fixed portion is not, these two types of allocations differ in their impacts on MOWD's water supply. Those differences should be considered when re-assigning allocations to allow for new water uses, such as construction of an ADU or "granny flat."

The purpose of this supplemental report is to provide a simple analysis for comparing the impacts of fixed and variable allocations.

A Simple Model

MOWD's drought stages are based on those of Casitas MWD, which are, in turn, tied to the Level of Lake Casitas, as described in their Water Efficiency and Allocation Program (WEAP). MOWD is required by its water service agreement with Casitas MWD to implement water conservation measures equivalent to the WEAP. The five drought stages are summarized below:

| Drought Stage | Lake Storage | Mandatory Conservation |
|----------------------|---------------------|-------------------------------|
| 1 | 50% – 100% | 0% |
| 2 | 40% – 50% | 20% |
| 3 | 30% – 40% | 30% |
| 4 | 25% – 30% | 40% |
| 5 | < 25% | 50% |

During each of these drought stages, the variable part of a customer's baseline allocation is reduced by the mandatory conservation amount shown in the table.

The safe yield estimate for Lake Casitas has been based on a 20-year drought period, using historical hydrology data. (See reports by Casitas MWD and others.) Note that a drought is defined to begin in a year that the lake spills. The year with the lowest lake level – after which it begins to refill due to a wetter cycle – defines the end of the 20-year drought. During any long-term drought, there will be some wet years within the predominantly dry years. The simplest model of a 20-year drought can be developed from the following assumptions:

- 1) The drought begins with Lake Casitas filled to its maximum storage capacity of 238,000 acre-feet.

New Meters and Expansions of Services Policy

- 2) The drought ends in the 20th year at its minimum pool storage of 23,800 AF.
- 3) The storage capacity declines at a uniform rate during each year of the drought.

In reality, rainfall will not be uniformly distributed among the 20 drought years. In addition, there are nonlinearities, such as evaporation that declines with lake level. Nevertheless, it can be argued that if 1,000 statistically significant drought cycles were developed and averaged, the mean would display a similar monotonical decline in lake level during the drought. It is argued that this simple model is adequate for the purpose of adjusting allocations for ADUs. What is important here is to make some sort of adjustment for the sake of fairness to all customers, new and old.

Model Results for Fixed Allocations of 84 HCF/yr and 120 HCF/yr

An Auxiliary Dwelling Unit requires a fixed allocation of 7 HCF/month, or 84 HCF/yr. (Note that 1 HCF = 100 cubic feet = 748 gallons.) The total water use during a 20-year drought is compared to the water used by a variable allocation of 98.4 HCF/yr in Table 1. In the table,

N is the drought year.

Storage is the amount of water in the lake at the beginning of that year.

Storage Pct is the storage as a percentage of maximum capacity.

Stage is drought stage in accordance with the WEAP.

Usage Allowed is the amount of variable allocation that may be used without penalty at that drought stage.

Fixed is the amount of fixed allocation used each year, which is not reduced during drought stage.

Variable is the amount of the variable allocation that may be used each year, which is reduced during drought stages 2 – 5.

Table 1 shows that a fixed allocation of 84 HCF/yr allows a total water usage of 1680 HCF over the drought cycle. By comparison, a variable allocation of 98.4 HCF/yr (chosen by trial and error in an Excel spreadsheet) allows a total water usage of 1682.6 HCF during the drought – about the same. If we round off, we can conclude that 84 HCF of fixed allocation is equivalent, in terms of drought water usage, to 100 HCF/yr of variable allocation.

If this exercise is repeated for a fixed allocation of 120 HCF/year, then that is shown to be equivalent to a variable allocation of 140 HCF/yr in Table 2.

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Table 1
84 HCF fixed allocation equivalent to 100 HCF of variable allocation
Drought Period Model of Fixed vs Variable Demands

| N | Storage (AF) | Storage Pct | Stage | Usage Allowed | Fixed (HCF/yr) | Variable (HCF/yr) |
|--------------|-----------------|----------------|-------|------------------|-------------------|----------------------|
| 1 | 238,000 | 100 | 1 | 100% | 84 | 98.4 |
| 2 | 227,290 | 96 | 1 | 100% | 84 | 98.4 |
| 3 | 216,580 | 91 | 1 | 100% | 84 | 98.4 |
| 4 | 205,870 | 87 | 1 | 100% | 84 | 98.4 |
| 5 | 195,160 | 82 | 1 | 100% | 84 | 98.4 |
| 6 | 184,450 | 78 | 1 | 100% | 84 | 98.4 |
| 7 | 173,740 | 73 | 1 | 100% | 84 | 98.4 |
| 8 | 163,030 | 69 | 1 | 100% | 84 | 98.4 |
| 9 | 152,320 | 64 | 1 | 100% | 84 | 98.4 |
| 10 | 141,610 | 60 | 1 | 100% | 84 | 98.4 |
| 11 | 130,900 | 55 | 1 | 100% | 84 | 98.4 |
| 12 | 120,190 | 51 | 1 | 100% | 84 | 98.4 |
| 13 | 109,480 | 46 | 2 | 80% | 84 | 78.7 |
| 14 | 98,770 | 42 | 2 | 80% | 84 | 78.7 |
| 15 | 88,060 | 37 | 3 | 70% | 84 | 68.9 |
| 16 | 77,350 | 33 | 3 | 70% | 84 | 68.9 |
| 17 | 66,640 | 28 | 4 | 60% | 84 | 59.0 |
| 18 | 55,930 | 24 | 5 | 50% | 84 | 49.2 |
| 19 | 45,220 | 19 | 5 | 50% | 84 | 49.2 |
| 20 | 23,800 | 10 | 5 | 50% | 84 | 49.2 |
| Total | | | | | 1680 | 1682.6 |

New Meters and Expansions of Services Policy

Table 2
120 HCF fixed allocation equivalent to 140 HCF of variable allocation
Drought Period Model of Fixed vs Variable Demands

| N | Storage (AF) | Storage Pct | Stage | Usage Allowed | Fixed (HCF/yr) | Variable (HCF/yr) |
|--------------|-----------------|----------------|-------|------------------|-------------------|----------------------|
| 1 | 238,000 | 100 | 1 | 100% | 120 | 140.0 |
| 2 | 227,290 | 96 | 1 | 100% | 120 | 140.0 |
| 3 | 216,580 | 91 | 1 | 100% | 120 | 140.0 |
| 4 | 205,870 | 87 | 1 | 100% | 120 | 140.0 |
| 5 | 195,160 | 82 | 1 | 100% | 120 | 140.0 |
| 6 | 184,450 | 78 | 1 | 100% | 120 | 140.0 |
| 7 | 173,740 | 73 | 1 | 100% | 120 | 140.0 |
| 8 | 163,030 | 69 | 1 | 100% | 120 | 140.0 |
| 9 | 152,320 | 64 | 1 | 100% | 120 | 140.0 |
| 10 | 141,610 | 60 | 1 | 100% | 120 | 140.0 |
| 11 | 130,900 | 55 | 1 | 100% | 120 | 140.0 |
| 12 | 120,190 | 51 | 1 | 100% | 120 | 140.0 |
| 13 | 109,480 | 46 | 2 | 80% | 120 | 112.0 |
| 14 | 98,770 | 42 | 2 | 80% | 120 | 112.0 |
| 15 | 88,060 | 37 | 3 | 70% | 120 | 98.0 |
| 16 | 77,350 | 33 | 3 | 70% | 120 | 98.0 |
| 17 | 66,640 | 28 | 4 | 60% | 120 | 84.0 |
| 18 | 55,930 | 24 | 5 | 50% | 120 | 70.0 |
| 19 | 45,220 | 19 | 5 | 50% | 120 | 70.0 |
| 20 | 23,800 | 10 | 5 | 50% | 120 | 70.0 |
| Total | | | | | 2400 | 2394.0 |

New Meters and Expansions of Services Policy

Conclusions

The conclusions of this analysis are:

To provide allocation for a new ADU, 100 HCF/yr may be subtracted from a property's variable allocation and 84 HCF/yr should be added to the fixed allocation for the ADU.

To provide allocation for a new primary residence, 140 HCF/yr may be subtracted from a property's variable allocation and 120 HCF/yr should be added to the fixed allocation for the new primary dwelling.

To provide allocations for other combinations of new uses, the amounts to be subtracted from the variable allocation and added to the fixed allocation should be proportional to the above.

Note that there are factors in this approach that favor existing customers, most notably being the unlikelihood of MOWD's wells being out of service for an entire water year. That has never happened to date.