



REGULAR MEETING
of the
OPERATIONS & CUSTOMER RELATIONS COMMITTEE
MONTECITO WATER DISTRICT
583 SAN YSIDRO ROAD, MONTECITO, CALIFORNIA

MONDAY, MARCH 18, 2024
9:30 A.M.

Attend in Person or Join by Teleconference:

<https://us06web.zoom.us/j/89367724713?pwd=f4TxjM8yFYlJazAD7CBIJcyLpU5lqz.1>

Meeting ID: 893 6772 4713 Passcode: 997479

Tel: (669) 900-6833

AGENDA

1. CALL TO ORDER, DETERMINATION OF COMMITTEE QUORUM

2. PUBLIC FORUM

NOTE: This portion of the agenda may be utilized by any person to address the Operations & Administration Committee on any matter within the jurisdiction of the Committee. No consideration or discussion shall be undertaken by Committee members at this time on any item not appearing on this agenda except as permitted by the Ralph M. Brown Act. Discussion items receiving recommendations by the Committee, and/or items requiring action will be placed on the agenda of a future meeting of the Montecito Water District Board of Directors.

3. ITEMS FOR COMMITTEE CONSIDERATION

A. Continued Discussion of Dam Caretaker Duties

* B. Proposed Ordinance 99 establishing Water Use Efficiency Policies and Recommendations

* C. Customer Relations and Public Information

4. ITEMS FOR A FUTURE AGENDA

5. ADJOURNMENT

Note: Montecito Water District has resumed in-person meetings in accordance with the Brown Act. The District also provides alternative methods of participation which permit members of the public to observe and address public meetings telephonically and/or electronically. These methods of participation can be accessed through the internet link provided at the top of this agenda.

This agenda was posted on the District website, and at the Montecito Water District outside display case at 5:00 p.m. on March 15, 2024. The Americans with Disabilities Act provides that no qualified

** Indicates attachment included for this item*

individual with a disability shall be excluded from participation in, or denied the benefits of, the District's programs, services, or activities because of any disability. If you need special assistance to participate in this meeting, please contact the District Office at 805-969-2271. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements.

Agendas, agenda packets, and additional materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet are available on the District website.

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 3-B

DATE: MARCH 18, 2024

TO: OPERATIONS AND CUSTOMER RELATIONS COMMITTEE

FROM: GENERAL MANAGER

**SUBJECT: PROPOSED ORDINANCE NO. 99 ESTABLISHING WATER USE
EFFICIENCY POLICES AND RECOMMENDATIONS**

RECOMMENDATION:

1. That the Operations and Customer Relations Committee review and provide feedback on proposed Ordinance No. 99 Establishing Water Use Efficiency Policies and Recommendations.
2. That the Operations and Customer Relations Committee recommend the Board of Directors consider adoption of Ordinance No. 99, an ordinance of the Board of Directors of the Montecito Water District Establishing Water Use Policies and Recommendations at a future meeting.

DISCUSSION:

Attached is proposed Ordinance No. 99, an ordinance establishing water use efficiency policies and recommendations. This ordinance proposes to repeal the District's latest ordinance concerning water use restrictions, Ordinance No. 98, and establish permanent water use efficiencies. Ordinance No. 99 comprises mandatory water use restrictions, generally consistent with State and District regulations, targeting responsible water use and avoidance of water waste. Additionally, it includes water use best practices offering suggestions on how to advance water use efficiency where feasible.

Unlike prior ordinances that instituted water use restriction in response to drought conditions and declared water shortages, Ordinance No. 99 proposes to institute permanent water use restrictions and best practices irrespective of hydrologic conditions. Ordinance No. 99 is consistent with recent initiatives developed as part of the District's 2022 5-year Strategic Plan, specifically achieving the goal of water supply reliability through various actions including managing customer demands and establishing community partnerships for efficient water use. Additionally, Ordinance No. 99 complements the District's 2023 Water Use Efficiency Plan, a long-term plan targeting permanent reductions in customer water use. Water use efficiency helps extend the availability of the District's limited water resources and enhances long-term water reliability and security.

Proposed Ordinance No. 99 has been reviewed by District general counsel.

PROPOSED SCHEDULE:

The proposed schedule for implementation of Ordinance No. 99 is as follows:

- March 26, 2024: Regular Meeting of the Board of Directors: Board review of proposed Ordinance No.99. Provide appropriate notices for the Ordinance.
- Early-April 2024: Public noticing of the Board of Directors' consideration of adoption of Ordinance No.99.
- April 23, 2024: Regular Meeting of the Board of Directors to consider adoption of Ordinance No.99. If adopted, publication of Ordinance No.99 in late April/early May 2024.
- May 23, 2024: Ordinance No. 99 becomes effective.

ATTACHMENTS:

1. Proposed Ordinance No. 99 – an ordinance of the Board of Directors of the Montecito Water District Establishing Water Use Policies and Recommendations.

ORDINANCE NO. 99

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT ESTABLISHING WATER USE EFFICIENCY POLICIES AND RECOMMENDATIONS

WHEREAS, the Montecito Water District (“District”) is a County Water District formed under and pursuant to Section 30000, et seq. of the California Water Code, located in and serving the unincorporated areas of Montecito and Summerland within the County of Santa Barbara; and

WHEREAS, the mission of Montecito Water District is to provide an adequate and reliable supply of high quality water to the residents of Montecito and Summerland, at the most reasonable cost. In carrying out this mission, the District emphasizes providing outstanding customer service, conducting its operations in an environmentally sensitive manner, and working cooperatively with other agencies.

WHEREAS, the District has a diverse water supply portfolio comprised of both rainfall dependent and rainfall independent sources including local and regional surface water, groundwater, and ocean desalination supplies; and

WHEREAS, the District may do any act necessary to furnish sufficient water in the District for any present or future beneficial use [Water Code §31020]; and

WHEREAS, consistent with its Urban Water Management Plan (“UWMP”), the District has taken extraordinary actions since 2017 to become less reliant on rainfall dependent water sources and improve water supply reliability. These actions include: securing a right to store surplus water supplies in the Semitropic Groundwater Banking and Exchange Program for future use; participating in a 50-year water supply agreement with the City of Santa Barbara backed by the City’s desalination facility; electing to manage groundwater supplies in the Montecito Groundwater Basin in accordance with the Sustainable Groundwater Management Act; evaluating water reuse; and strongly encouraging voluntary reductions in water use and efficient water use; and

WHEREAS, in 2022, the District adopted a 5-year Strategic Plan, building on the UWMP and outlining actions for achieving the goal of water supply reliability, which actions include managing customer demands and establishing community partnerships for efficient water use; and

WHEREAS, declared State and local drought emergencies over the past decade illustrate the impacts of climate change including increasingly erratic hydrologic conditions, which impact the potential availability of the District’s water supplies and foster water supply challenges; and

WHEREAS, the District may establish rules and regulations for the sale, distribution and use of water [Water Code §31024] and to restrict the use and prohibit the wastage of water [Water Code §§31026 – 31029]; and

WHEREAS, over the last decade, the District has adopted various ordinances in response to State and local drought emergencies which include provisions declaring water shortage conditions, implementing mandatory and voluntary water use reduction measures, and recommending water use efficiency measures. Ordinance 98 is the District’s latest ordinance

addressing water use, and it was adopted in early 2023 following an above average 2022/23 winter bringing drought reprieve statewide, thereby lessening water use restrictions and resulting in the downgrade of the declared water shortage emergency to a Stage 1 condition, and

WHEREAS, the District's reactive responses to changing hydrologic conditions, coupled with extraordinary proactive measures to shore up water supply reliability since 2017 have brought community awareness to the ongoing water supply challenges and the importance of using water wisely and efficiently as evidenced by District customers having reduced overall water use over the past decade by over 40% consistently; and

WHEREAS, in 2022, recognizing the importance of efficient water use, the District adopted its first Water Use Efficiency Plan (WUEP), a long-term plan targeting permanent reductions in customer water use achieved through various voluntary customer actions supported by District initiatives; and

WHEREAS, supported by the WUEP, the District provides effective customer tools focusing on water use efficiency. These tools include: the installation of smart water meters and the implementation of the Watersmart user interface which work in concert to provide real-time water use monitoring and leak detection; data-driven evaluations and determinations of unique and efficient water use needs for every property; Smart Rebates targeting property improvements that result in a reduction in long-term water use; onsite water use audits to identify inefficient uses of water; and extensive public outreach providing real-time water use notices and educational materials; and

WHEREAS, despite current conditions and a favorable water supply outlook resulting from recent consecutive winters that have produced above average rainfall statewide filling surface water reservoirs and replenishing the groundwater basin, water use efficiency remains a top District initiative and is mandated by the State through its Urban Water Use Objective regulation. Water use efficiency helps extend the availability of the District's limited water resources and enhances long-term water reliability and security.

NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT AS FOLLOWS:

On the basis of the District's favorable water supply outlook and the importance of ongoing water use efficiency irrespective of hydrologic conditions, the Board of Directors hereby rescinds Ordinance 98 in its entirety and establishes ongoing water use restrictions and recommended water use best practices as follows:

1. Effective Date. This Ordinance shall become effective upon adoption.
2. Prohibition Against Waste of Water. It shall be unlawful for any District customer obtaining any water from the District to waste any of that water.
3. Customer Water Use Limitation. Water use within the District's service area continues to be limited to that allowed under Ordinance 89, or any future amendments, modifications and/or revision.

4. Mandated Water Use Restrictions. Recognizing the importance of responsible water use under all water supply conditions, the following water use restrictions are mandated irrespective of hydrologic conditions:
- a. Washing of hard surfaces such as driveways, sidewalks, patios and parking lots is prohibited except where necessary to protect health and safety. Pressure washing for maintenance or repair is permitted.
 - b. Applying water to landscaping during and within 48 hours after measurable rainfall of at least one-quarter of one inch of rain is prohibited.
 - c. Applying water to outdoor landscaping in a manner that causes runoff such that water flows onto an adjacent property, non-irrigated areas, private and public walkway, parking lot or structure is prohibited.
 - d. When washing vehicles, the use of a bucket and/or hose equipped with a hand-operated shut off nozzle is required. Alternatively, wash vehicles at a commercial car washing facility.
 - e. Using potable water in an ornamental fountain or other decorative water feature is prohibited except where part of a recirculating system.
 - f. Hotels, motels, etc., shall offer an option of not laundering towels and linens daily and shall display notice of this option.
 - g. Irrigating turf on public street medians or publicly owned or maintained landscaped areas between the street and sidewalk, except where the turf serves a community or neighborhood function or is watered incidentally with trees or is irrigated with recycled water is prohibited.
 - h. Irrigation of outdoor landscaping shall be permitted if irrigated between the hours of 6 p.m. and 10 a.m. On written application to the District, a property owner may request relief from these irrigation restrictions, at the discretion of the General Manager. This provision is applicable to all customer classifications excluding agriculture.
 - i. Water for private swimming pools, spas, and hot tubs is considered a non-essential use. Property owners with private swimming pools, spas and hot tubs are permitted to maintain water levels, and to completely fill, and/or drain and refill only once every five years upon application and written authorization from the District. On written application to the District, a property owner may request relief from these restrictions for the purposes of pool repairs, which relief is in the discretion of the General Manager.
 - j. Water for ponds is considered a non-essential use. Property owners are permitted to maintain water levels for existing lined ponds only. Water for new ponds, or for maintaining water levels for unlined ponds, must be supplied by an alternative water source. On written application to the District, a property owner may request relief from these restrictions for the purposes of pond repairs, which relief is in the discretion of the General Manager.

- k. Breaks or leaks in any customer's plumbing must be immediately repaired upon discovery. If repairs cannot be immediately completed, water service to the property shall be temporarily turned off by the customer or customer's agent at the customer's shutoff valve, or by the District at the customer's water meter serving the property, to prevent water loss until such time as the repair has been completed.
5. Fines for Violating Mandated Water Use Restriction.
- a. Fines for violation of mandated water use restrictions will fund general and targeted conservation outreach toward those who fail to avoid wasteful water use practices or conserve water; increased costs required to implement the mandated water use restrictions; and the purchase, if necessary, of additional water supplies to offset wasteful consumption and protect the health and safety of all customers. Because these costs are necessary to perform outreach and provide water service under continued drought conditions, the Board finds that the rates for water service, including fines established under this section:
 - i. Are not expected to exceed the funds required to provide water service.
 - ii. Will not be used for any purpose other than to provide water service.
 - iii. Will not exceed the proportional cost of water service attributable to any parcel.
 - iv. Are imposed only where water service is actually used by, or immediately available to, a parcel.
 - b. A written warning will be issued for the first violation of a mandated water use restriction. The District will impose a fine in the amount of \$250 for the second violation, and doubling with each subsequent violation, up to a maximum of \$1,000 for any single violation. Upon a fourth violation, or upon an earlier violation, if the General Manager determines these violations are creating a significant threat to the goals of this Ordinance, the General Manager may issue a written order for the installation of a flow restrictor on the service line or lines in question. Orders shall be provided to the Board when issued and any appeal shall be heard as quickly as possible to allow a flow restrictor to be removed promptly should the Board grant the appeal.
6. Water Use Efficiencies and Best Practices. The following measures are widely publicized and recommended by the State and/or the District to further enhance water use efficiency and to reduce water waste:
- a. Use District-provided smart water meters and the customer interface, WaterSmart to monitor real-time water use and to identify potential leaks.
 - b. Redesign landscape to replace some or all vegetation with drought-tolerant or native plants.

- c. Water lawns and outdoor areas only when needed. Most landscapes do not need to be watered daily and excess watering not only wastes water but can cause harm to the landscape.
- d. Improve irrigation management with the installation of a soil moisture sensor for measuring soil moisture and determining when irrigation is needed.
- e. Replace or upgrade old irrigation systems with state-of-the-art efficient drip or spray systems.
- f. Place 3" to 4" of mulch around trees and plants to retain moisture in the soil.
- g. Set lawn mower blades at 3" to 4" to keep lawn longer and retain moisture in the soil.
- h. Install water harvesting and diversion features, such as rain gutters, rain barrels, in-ground storage, and rain gardens to capture runoff from roofs and pavement for use on the property and/or groundwater recharge.
- i. Install or replace plumbing fixtures with water-conserving plumbing fixtures such as high-efficiency toilets, showerheads, and faucets.
- j. Reduce the length of showers or the amount of water used for baths.
- k. Turn off the water while brushing your teeth or shaving.
- l. Install high efficiency appliances including washing machines and dishwashers.
- m. Only wash laundry and dishes with full loads.
- n. Install a "laundry-to-landscape" graywater system.
- o. For pre-cleaning dishes, use a filled sink instead of running water.
- p. Consider installing an instant water heater on sinks that are located far from the main water heater and/or hot water recirculating system.
- q. Wash vehicles using a waterless car wash product. A waterless car wash is an eco-friendly and efficient car wash that uses little or no water.
- r. Report broken, poorly timed or misaligned sprinklers around the community.
- s. After a power outage, irrigation timers often reset to default. Check irrigation timers often.
- t. Replace batteries in irrigation timers annually.
- u. Covers swimming pools, spas, and hot tubs to reduce water loss due to evaporation.

7. Appeals and Exceptions.

- a. Any customer may appeal any decision made or fine imposed under this Ordinance to the Board of Directors by filing a written appeal with the District within 30 days of written notice of the decision or fine. A Committee of the Board will hear the appellant and make a recommendation to the Board of Directors. The Board of Directors shall consider the recommendations of the Committee. The District shall

give the appellant written notice of the meetings at which the appeal will be considered by the Committee and the Board of Directors.

- b. The Board of Directors may, in its discretion, continue a hearing, affirm, reverse, or modify the Committee's recommendation and make any adjustments and impose any conditions it deems just and proper, if it finds one or more of the following: (1) the restrictions of this Ordinance would cause an undue hardship; (2) the granting of the appeal will not significantly adversely affect the goals of this Ordinance; (3) due to peculiar facts and circumstances, none of the provisions of this Ordinance are applicable to the situation under consideration; or (4) error in the application of this Ordinance or other applicable rules or law.
 - c. The Board's decision shall be written and provided to the appellant and any other person who requests notice of the decision in writing. Such decisions are final as to the District and not subject to further appeal unless the Board of Directors' decision expressly provides otherwise. Judicial review of final decisions shall be available pursuant to the California Code of Civil Procedure section 1094.5.
8. Suspension of Conflicting Ordinances and Rules and Regulations. To the extent that the terms and provisions of this Ordinance are inconsistent, or in conflict with the terms and provisions of any prior District Ordinances, Resolutions, Rules, or Regulations, the terms of this Ordinance shall prevail, and inconsistent and conflicting provisions of prior Ordinances, Resolutions, Rules, or Regulations shall be suspended during the effective period of this Ordinance.
9. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid, that invalidity shall not affect the validity of the remaining portions of this Ordinance. The Board of Directors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases may be invalid.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Montecito Water District this ____ day of April 2024.

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED:

Kenneth Coates, Board President

ATTEST:

Nick Turner, Secretary

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 3-C

DATE: MARCH 18, 2024

TO: OPERATIONS AND CUSTOMER RELATIONS COMMITTEE

FROM: PUBLIC INFORMATION OFFICER

SUBJECT: CUSTOMER RELATIONS AND PUBLIC INFORMATION UPDATE

RECOMMENDATION:

Information only.

DISCUSSION:

District outreach methods include e-News, bill inserts, bill messages, press releases, website updates, articles, social media posts, advertisements, regular updates in meeting presentations to community organizations, and participation in events.

Ongoing themes in communications are consistent with the District's 2022 5-Year Strategic Plan and local and State initiatives including "Water Conservation is a California Way of Life." Recent highlights include:

Partner Programs. The 2024 Waterwise Countywide Garden Recognition Contest is live, a press release has been issued, and application deadline is April 30, 2024. Door hangars may be placed at select properties, and conservation specialist to facilitate applications.

AMI "Smart Meters." Outreach is ongoing and customer registration is now at 21%. Customer service staff are continuing to drive registrations with incoming calls and customer visits.

Rate Study. Current public outreach includes enews and a column in the Montecito Journal.

ATTACHMENTS:

1. The Water Column (Montecito Journal, March 7-14, 2024)
2. Waterwise Garden Recognition Contest Advertisement

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The Water Column

Montecito Water District Rate Evaluation Underway



The MWD maintains significant facilities to ensure reliable delivery of high-quality water

by Laura Camp

Extraordinary inflation and opportunities to improve resiliency were key discussion points in Montecito Water District's Special Board Meeting this week. Directors reviewed a preliminary analysis with Raftelis Financial Consultants in anticipation of adjusting water rates for customers later this year. Rates are revisited every three to five years, and are required to be based on a rigorous cost-of-service analysis.

Annual rate increases have remained steady at 2.8% since the Board last adopted a rate plan in 2020. While this was consistent with inflation figures at the time, the past three years have brought substantially greater cost increases to nearly every aspect of the business. Inflation has been particularly steep on construction costs and materials essential to the industry, such as steel and pipelines. Due to this, the District does expect to adjust rates more than 2.8% in 2024 to keep pace with rising costs of service and maintain adequate cash reserves.

"The good news is that water supply is looking secure – strategic planning, investments made over the past decade, ample rain this winter and last, and our customers' focus on water efficiency has put us in a very good position," says General Manager **Nick Turner**. "However, escalating costs surrounding essential services, such as water treatment and delivery, are very real. These combined with the need to maintain and take advantage of opportunities to improve aging infrastructure require an updated rate evaluation."

Last week's meeting was the first of several workshops focused on District finances and fiduciary responsibility that will take place in the coming weeks and months, with the goal of having new rates in place by August. New rates are adopted by majority vote of the Board only after there has been a publicly noticed review and input period. Customer outreach will be ongoing throughout the spring and summer, and community members are invited to attend meetings virtually or in-person. Meeting information, including past recordings, is available on the District's web site: www.montecitowater.com.

Laura Camp is the Public Information Officer for the Montecito Water District



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at Jameson Lake

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