



MEMORANDUM

TO: City Council

FROM: Shannon Sweeney, Interim Public Works Director/City Engineer

SUBJECT: Public Hearing to Consider Introduction of an Ordinance Amending Title 13 of the Arroyo Grande Municipal Code Regarding the Water Shortage Contingency Plan and Finding this Action Exempt from CEQA

DATE: December 12, 2023

SUMMARY OF ACTION:

Introduction and public hearing for a proposed Ordinance amending the City's Municipal Code section 13.07.070 regarding the City's Water Shortage Contingency Plan (WSCP). Introducing the ordinance will allow for adoption at a future City Council meeting following this noticed public hearing.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

No cost impact to the City is anticipated with the recommended amendment.

RECOMMENDATION:

1) Introduce the Ordinance amending Section 13.07.030 (C)(2) of the Arroyo Grande Municipal Code regarding the WSCP; and 2) Find that the Ordinance is exempt from the California Environmental Quality Act (CEQA) because it will not result in a direct or reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines sections 15060, subd. (c)(2), (3); 15061(b)(3)).

BACKGROUND:

The California Water Code (CWC) requires urban water suppliers servicing 3,000 or more connections or supplying more than 3,000 acre-feet (AF) of water annually, to prepare and adopt an Urban Water Management Plan (UWMP) and a WSCP for submission to Department of Water Resources (DWR). The UWMP and WSCP, which are required to be filed in five-year cycles, must satisfy the requirements of the Urban Water Management Planning Act (UWMP Act) of 1983 including amendments that have been made to the UWMP Act and other applicable regulations.

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On [June 27, 2023](#), the City Council:

- Conducted a public hearing to receive input on the 2022 UMWP and WSCP;
- Adopted a Resolution approving the 2022 UWMP;
- Authorized the City Manager or their designee to file the updated UWMP with DWP;
- Adopted a Resolution approving the 2022 WSCP *with the modification to page 13 of the Water Shortage Contingency Plan to change the number of household members to four (4) and above with 250 gallons of water per household*; and
- Authorized the City Manager or their designee to file the updated WSCP with DWP.

The WSCP was modified as requested. This ordinance modifies the City Municipal Code to be consistent with the WSCP as modified.

ANALYSIS OF ISSUES:

Currently, section 13.07.030 (C)(2) of the Arroyo Grande Municipal Code states:

Upon adoption of a Stage 2 Water Shortage Emergency, restrictions and limits shall be imposed through the implementation of household allocations of water units for residential customers. All residential customers will be allocated units of water deemed necessary for an average household size (one unit of water is equal to one hundred (100) cubic feet or seven hundred forty-eight (748) gallons). Any residential customer using over the assigned baseline unit amount may be subject to citation and shall be subject to the imposition of mandatory financial penalties, which shall be set forth in the resolution adopted by the city council and be based upon the severity of the water shortage emergency. Each household shall be allowed twelve (12) units of water per two-month billing period (which is equivalent to one hundred fifty (150) gallons per household per day). Households with over five people will be allowed twenty (20) units of water per two-month billing period (two hundred fifty (250) gallons per day). Households with over seven people will be allowed twenty-eight (28) units of water per two-month billing period (three hundred fifty (350) gallons per day). The allocations contained herein may be adjusted by the city council by resolution.

The following table illustrates why the recommended amendment provides greater equity to City customers during a Stage 2 Water Shortage Emergency:

As currently written:

Maximum # of residents	Units	Gallons/household/day	Gallons/person/day
5	12	150	30 or more
6-7	20	250	36-42
8 or greater	28	350	44 or less

With recommended amendment:

Maximum # of residents	Units	Gallons/household/day	Gallons/person/day
4	12	150	38 or more
5-7	20	250	36-50

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8 or greater	28	350	44 or less
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The recommended modification to the municipal code text is shown below, with strikeout formatting showing removed text and underlined formatting showing added text (the only change being recommended is the number of household members that would be allocated 20 units of water per two-month billing period from five people to four, based on past direction):

Upon adoption of a Stage 2 Water Shortage Emergency, restrictions and limits shall be imposed through the implementation of household allocations of water units for residential customers. All residential customers will be allocated units of water deemed necessary for an average household size (one unit of water is equal to one hundred (100) cubic feet or seven hundred forty-eight (748) gallons). Any residential customer using over the assigned baseline unit amount may be subject to citation and shall be subject to the imposition of mandatory financial penalties, which shall be set forth in the resolution adopted by the city council and be based upon the severity of the water shortage emergency. Each household shall be allowed twelve (12) units of water per two-month billing period (which is equivalent to one hundred fifty (150) gallons per household per day). Households with over ~~five~~ four people will be allowed twenty (20) units of water per two-month billing period (two hundred fifty (250) gallons per day). Households with over seven people will be allowed twenty-eight (28) units of water per two-month billing period (three hundred fifty (350) gallons per day). The allocations contained herein may be adjusted by the city council by resolution.

ALTERNATIVES:

The following alternatives are provided for the Council’s consideration:

1. Introduce the Ordinance amendment as proposed; or
2. Modify the Ordinance amendment and introduce the modified Ordinance;
3. Do not introduce the Ordinance and direct staff to return at a future meeting to introduce the modified amendments; or
3. Provide other direction to staff.

ADVANTAGES:

By proceeding with this amendment to the Municipal Code, city staff is following through on direction provided by the City Council, the Municipal Code will be consistent with the WSCP filed with DWP, and the City is more equitably applying the water use restrictions associated with a Stage 2 water shortage situation.

DISADVANTAGES:

No disadvantages have been identified at this time.

ENVIRONMENTAL REVIEW:

In compliance with the California Environmental Quality Act (CEQA), City staff has determined that the ordinance does not qualify as a “project” under CEQA because the ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines section 15060, subd. (c)(2), (3).) Section 15378 of the State CEQA Guidelines defines a project as the whole of an action, which could

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potentially result in either a direct physical change, or reasonably foreseeable indirect physical change, in the environment. Here, the ordinance will not result in any construction or development, and it will not have any other effect that would physically change the environment. The ordinance therefore does not qualify as a project subject to CEQA.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Proposed Ordinance