RESOLUTION NO. 20-041
AUTHORIZE A 30% DISCOUNT TO THE WATER ENTITLEMENT PRICE SHOWN ON THE MASTER FEE SCHEDULE THROUGH DECEMBER 31, 2021

FINDINGS

1. The Pacific Grove Local Water Project (PGLWP) began operation in January 2018 and produces recycled water that was previously supplied by Cal-Am.

2. The Monterey Peninsula Water Management District (MPWMD) approved Ordinance No. 168 on January 27, 2016 to establish the City’s water entitlement based on potable water saved by the PGLWP.

3. The State Water Resources Control Board (SWRCB) has confirmed the City can allocate 47.88 acre-feet of entitlement water to allow increased uses of water at existing service addresses within the City, but provides terms and conditions limiting the sale and use. The entitlement water is available to use on most Cal-Am service addresses within the City but cannot be used on properties without access to a pre-existing water meter.

4. Pacific Grove Municipal Chapter 11.68, as it may be amended, sets requirements by which water entitlements may be distributed. The Chapter also requires water entitlements to be subject to revocation, if not used in a timely fashion.

5. On May 15, 2019, the City adopted Resolution 19-014, which authorized the City Manager to sell 47.88 acre/ft (AF) of water entitlements to be distributed and used in accord with the Pacific Grove Municipal Chapter 11.68, and further to be sold and used in accord with terms and conditions set by the SWRCB letter dated April 19, 2019.

6. Council Resolution 19-014 created a reserve of 11.5 AF of water entitlements for affordable housing to be deducted from the 47.88 of entitlement water for sale; and directed the City Manager to apply a 30% discount to the entitlement water price shown on the Master Fee Schedule for any commercial or residential use through December 31, 2020.

7. On June 3, 2020, the City adopted Resolution 20-023, Establishing Fees and Charges for Certain Activities (Master Fee Schedule for Fiscal Year 20/21), which established the price for water entitlements at $250,000 AFY or $25,000 per 0.10 AFY.

8. The City Council wishes to continue offering a 30% discount to the water entitlement price through December 31, 2021. This discount for entitlement purchases advances City goals to (a) increase housing supply (b) promote visitor service opportunities (c) encourage renovation.
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE:

1. The Council determines that each of the Findings set forth above is true and correct, and by this reference incorporates those Findings as an integral part of this Resolution.

2. The Council directs the City Manager to apply a 30% discount to the water entitlement water price on the shown on the Master Fee Schedule for any commercial or residential use through December 31, 2021.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE
this 16th day of December, 2020, by the following vote:

AYES: Mayor Peake, Councilmembers Amelio, Coletti, McAdams, Poduri, Smith, and Tomlinson
NOES:
ABSENT:

APPROVED:

BILL PEAKE, Mayor

ATTEST:

SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

DAVID C. LAREDO, City Attorney