TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER

DATE: FEBRUARY 17, 2020

AGENDA ITEM
E-2
FEBRUARY 26, 2020

ACCESSORY DWELLING UNIT POTENTIAL IMPACT ON NIPOMO COMMUNITY SERVICES DISTRICT INFRASTRUCTURE

ITEM

Review San Luis Obispo County's ("County") Accessory Dwelling Unit ("ADU") Ordinance amendments and determine potential impacts to Nipomo Community Services District's ("District") water and sewer enterprises. [RECOMMEND REVIEW POTENTIAL IMPACTS AND DIRECT STAFF]

SUMMARY

At your Board's October 9, 2019 Board Meeting, District staff was directed to assess the potential impact the recently passed amendments to the County's ADU Ordinance would have on District facilities within the District's service and sphere of influence ("SOI") boundaries.

Table 1. Total ADU Potential Impact on Nipomo Community Services District Infrastructure

Parcels in Sewer Service Area	**Water Demand (AFY)**	**Sewer Flow (GPD)**
Existing User Demand	1,243	540,808
ADU Demand *(based on existing users)*	436	189,857
Future User Demand *(new users, existing subdivided parcels, and vacant parcels)*	450	195,604
ADU Demand *(based on future users)*	42	18,108
Subtotal	**2,171**	**944,376**
Parcels outside Sewer Service Area	**Water Demand (AFY)**	**No Additional Sewer Flow**
Existing User Demand	479	
ADU Demand *(based on existing users)*	91	
Future User Demand *(new users, existing subdivided parcels, and vacant) parcels)*	161	
ADU Demand *(based on future users)*	14	
Subtotal	**746**	
Parcels within NCSD SOI	**Water Demand (AFY)**	
Future User Demand *(new users, existing subdivided parcels, and vacant) parcels)*	886	
ADU Demand *(based on existing and future users)*	139	
Subtotal	**1025**	
Grand Total NCSD Demand *(based on 2019 water demand and sewer flow)*	**3,942**	**944,376**
Grand Total NCSD Demand *(based on 2004 demand factor of 1.6)*	**6,307**	**1,511,002**

Table 2. Total ADU Water Demand within the Sphere of Influence

Total ADU Demand - Parcels within SOI	**Water Demand (AFY)**
ADU Demand based on existing and future users (2019 water demand)	**139**
ADU Demand based on existing and future users (2004 demand factor or 1.6)	**222**

The District's total water demand in 2004 was 1.6 times greater than 2019 total water demand. As there is a history of higher water demand in previous years compared to current usage patterns, it is prudent to consider the impacts on water demand in the event customer consumption rises to previously experienced levels.

Using the 1.6 differential factor between 2004 and 2019 total water demand, and applying it to the total water demand estimated below for maximum ADU buildout, (1.6 x 722 AFY), ADU water demand would rise to 1,155 AFY. The total ADU calculated water demand needed to satisfy all parcels within the District's service boundary and SOI boundary for buildout is provided in the table below.

Table 3. Combined Total ADU Water Demand within Nipomo Community Services District Service Boundary and SOI Boundary

ADU Water Demand - Parcels in District Sewer Service Area	**Water Demand (AFY)**
Subtotal	478
ADU Water Demand - Parcels outside District Sewer Service Area	
Subtotal	105
ADU Water Demand - Parcels within SOI	
Subtotal	139
Total NCSD Water Demand for Service Boundary and SOI Boundaries *(based on 2019 water demand and sewer flow)*	**722**
Total NCSD Water Demand for Service Boundary and SOI Boundaries *(based on 2004 demand factor of 1.6)*	**1,156**

Sewer flows to the District will increase as ADUs are built in the District's two Sewer Service Areas [Attachment D]. There is no expectation that areas currently outside the sewer service areas will be included in these areas in the foreseeable future. Table 4 below provides a summary of the impact to sewer flows under 2019 water demand conditions and estimates flows under 2004 water demand conditions.

Table 4. Sewer flows limited to those areas currently in the District's sewer service area

Parcels in District Sewer Service Area	**Sewer Flow (GPD)**
ADU Demand *(based on existing users)*	189,857
ADU Demand *(based on future users)*	18,108
Subtotal	**207,965**
ADU Total NCSD Sewer Flow *(based on 2019 sewer flow data)*	**207,965**
ADU Total NCSD Sewer Flow *(based on 2004 demand factor of 1.6)*	**332,744**

BACKGROUND

On January 28, 2020, the San Luis Obispo County Board of Supervisors ("County") took action and passed a "Resolution adopting specific amendments to Title 22 (Land Use Ordinance) of the County Code…for the accessory dwelling unit ordinance, Phase II." As required by State

law, the County Ordinance amendments reduce regulatory barriers and streamlines the permitting process of ADUs.

District Staff first brought your Board's attention to the issue of developing and proposed amendments to the County's ADU Ordinance in August 2019. At that time, your Board directed staff to evaluate potential impacts to the District's water and wastewater enterprises and, to keep the Board apprised as necessary. At your Board's September 11, 2019 and October 9, 2019 Board Meetings, District staff presented a range of possible scenarios framed by the least and most impact on District facilities.

At your Board's October 9, 2019 Board Meeting, your Board provided staff with additional direction, asking staff to explore the potential impacts for two additional parcel sets. First, the impact the proposed ADU regulatory changes would have on the District's water supply if parcels that are in the District, but outside the sewer service area, were to maximize their land use zoning and add an ADU. Second, the impact the proposed amendments would have on parcels in the District's SOI if these parcels: (1) requested annexation into the District; (2) maximized their land use potential, and (3) added an ADU.

Through the collaborative effort of District staff and MKN Engineering & Associates ("MKN"), water and sewer impacts were estimated and compiled in the attached MKN Technical Memorandum ("TM"). The TM looked at the potential impacts of ADUs on the District's total water demand and sewer flows. The TM is based on calendar year 2019 total water demand and the combined average daily sewer flows from both wastewater treatment facilities. It evaluates parcels within the District's existing service and SOI boundaries and calculates water demand and sewer flows with full buildout of all parcels in these areas. The TM took into account the following conditions for all parcels inside the District's service area and in the District's SOI:

- Maximum allowed subdivision of parcels in these boundaries under current County land use ordinances
- ADU potential these subdivided parcels contribute to water demand and sewer flows
- Demand to existing parcels currently allowed to construct an ADU but have not.

The TM is based on the following assumptions:

- Every eligible parcel within the District's service boundary be built out and also build an ADU
- Every eligible parcel in the District's SOI be built out and also build an ADU
- The District has an obligation to serve every buildout and ADU within its boundary
- Water demand for the SOI would be evaluated for its potential impact on the groundwater basin for which the District has no control over, or, if annexed, the District would require parcels to stop pumping groundwater and be served by supplemental water only.

The total ADU water demand under these conditions is summarized above in "Table 3. Combined Total ADU Water Demand within Nipomo Community Services District Service and Sphere of Influence Boundaries". The total ADU water demand from parcels is separated into three subgroups:

- Parcels within the sewer service area
- Parcels outside the sewer service area, but inside District service boundaries
- Parcels within the District's SOI.

If all parcels in these three subgroups were subdivided to the maximum allowed under the County's current land use zoning ordinance, and were to construct an ADU, then NCSD's water demand estimates to provide for all ADUs is 722 AFY (based on 2019 total water demand). The District's highest water demand year was 2004. Using 2004 water demand, NCSD's water demand estimates to provide for all ADUs is 1,156 AFY.

District staff provided MKN with sewer flow data from the sewer service area. Parcels in the Blacklake subdivision are included in the sewer service area water demand and sewer flow calculations. A .49 ratio exists between 2019 water demand in the sewer service area and sewer flows to the Blacklake and Town sewer treatment plants. This ratio was used to determine average daily sewer flows under two buildout flow conditions: 2019 water demand and 2004 water demand. The results of these calculations are below in "Table 5. ADU Impact on Sewer Flows."

Table 5. ADU Impact on Sewer Flows

Parcels in District Sewer Service Area	**Sewer Flow (GPD)**
ADU Demand *(based on existing users)*	189,857
ADU Demand *(based on future users)*	18,108
Subtotal	**207,965**
Parcels outside District Sewer Service Area	**No Additional Sewer Flow**
ADU Demand *(based on existing users)*	
ADU Demand *(based on future users)*	
Subtotal	
Parcels within SOI	
ADU Demand *(based on existing and future users)*	
Subtotal	
ADU Total NCSD Sewer Flow ***(based on 2019 sewer flow data)***	**207,965**

The full potential impact of ADUs on the sewer service area is combined with build out of all parcels within the sewer service area are shown below in "Table 6. Full Build-out with Maximum ADU (2019 & 2004 flows to Sewer Service Area)".

Table 6. Full Build-out with Maximum ADU (2019 & 2004 flows to Sewer Service Area)

Parcels in Sewer Service Area	**Sewer Flow (GPD)**
Existing User Demand	540,808
Future User Demand *(new users, existing subdivided parcels, and vacant parcels)*	195,604
ADU Demand *(based on existing and future users)*	207,965
Grand Total NCSD Demand ***(based on 2019 water demand and sewer flow)***	**944,376**
Grand Total NCSD Demand ***(based on 2004 demand factor of 1.6)***	**1,511,002**

FISCAL IMPACT

Funds for engineering consultants and staff time to support this study are included in the Fiscal Year 2019-20 Budget.

STRATEGIC PLAN

Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

RECOMMENDATION

Staff recommends your Honorable Board receive the Technical Memorandum and direct staff as needed.

ATTACHMENT

A. MKN Technical Memorandum – February 20, 2020: ADU Impact on NCSD Enterprises
B. October 9, 2019 NCSD Staff Report – Review SLO County' Proposed Amendments to their ADU Ordinance
C. Nipomo Community Services District, Service Area and Sphere of Influence, Adopted July 2010
D. Nipomo Community Services District, Sewer Service Area
E. San Luis Obispo County Land Use Zoning Map – Nipomo Community Services Boundary

FEBRUARY 26, 2020

ITEM E-2

ATTACHMENT A

WATER - WASTEWATER - REUSE

P.O. Box 1604
Arroyo Grande CA 93421
805 904 6530 tel
www.mknassociates.us

Technical Memorandum

To: Mario Iglesias
General Manager
From: Robert Lepore, GISP
Eileen Shields, PE
Date: February 21, 2020

Re: **Nipomo Community Services District – Future Water Demand Projections**

1. INTRODUCTION

MKN & Associates, Inc., (MKN) was retained by Nipomo Community Services District (District) to develop future water demand projections. The scope of services for this project included the following:

- Review current (2019) demand and production information provided by the District
- Developed land use water usage factors based on calendar year 2019 usage and production values
- Identify future water usage within the District's sewered, unsewered service areas, and Sphere of Influence (SOI) based on the following:
    - Existing water users that could add an accessory dwelling unit (ADU)
    - Existing water users that could subdivide based on County of San Luis Obispo Subdivision Design Standards
    - Future water users that could be served by the District
    - Future water users that could add an ADU
    - Future water users that could subdivide based on County of San Luis Obispo Subdivision Design Standards
- Estimate future sewer flow within District's sewered service areas

2. DOCUMENT REVIEW

MKN reviewed and utilized the following information:

- Land Use Ordinance Title 22 of the County Code dated April 2019 and prepared by County of San Luis Obispo (with consideration of the January 28, 2020 amendments to the County ADU Ordinance)
- Proposed Amendments to Title 22 (Land Use Ordinance), Title 23 (Coastal Zone Land Use Ordinance), and Coastal Framework for Planning Public Hearing Draft dated August 2019 and prepared by County of San Luis Obispo

3. DEVELOPMENT POTENTIAL ASSUMPTIONS

To determine the maximum development potential and water demand within the District's existing sewer service area, unsewered service area, and Sphere of Influence (SOI), MKN assumed the following based on the planning documents noted above:

1. District's GIS parcel mapping data was used to identify existing land use designation and acreage information.
2. Existing and vacant residential single family (RSF) parcels greater than 12,000 square foot (sf) and served by a community sewer are allowed by ordinance to subdivide into 6,000 sf lots.
3. Existing and vacant residential single family (RSF) parcels on septic have a 1.0-acre minimum lot size requirement.
4. Existing and vacant residential suburban (RS) parcels greater than 2.0 acres are allowed by ordinance to subdivide to 1.0-acre lots.
5. Existing and vacant residential rural (RR) parcels greater than 10.0 acres are allowed by ordinance to subdivide to 5.0 acre lots.
6. Blacklake Village residential parcels have ADU capability (based on Proposed Amendments to Title 22).
7. Residential Multi-Family (RMF) parcels do not have ADU capability, regardless of parcel size.
8. Land uses that allow ADU dwellings as a permitted use include the following:
   a. Commercial, Retail (CR)
   b. Office and Professional (OP)
   c. Recreation (REC)
   d. Residential, Rural (RR)
   e. Residential, Suburban (RS)
   f. Residential, Single Family (RSF)
9. The existing sewer service area boundaries (Town and Blacklake systems) will not be modified.

Developed parcels meeting the above described subdivision requirements were assumed to have subdivision potential that would generate new lots (including adding ADUs) within the District's service area. However, the feasibility of subdividing an existing lot based on location of existing structures, parcel geometry, and meeting setback requirements was not reviewed as part of this evaluation.

4. WATER DEMAND ASSUMPTIONS

To estimate existing baseline water demands, MKN reviewed water billing and production information provided by the District for calendar year 2019. The billing information contained annual usage by the following customer types:

- ❑ Single Family Residential
- ❑ Multi-Family Residential
- ❑ Commercial/Institutional
- ❑ Industrial
- ❑ Landscape Irrigation
- ❑ Agricultural Irrigation

MKN cross-referenced water usage from the billing information with the District's Department of Water Resources (DWR) Water System Statistics Reports for calendar years 2017 through 2019.

To identify future water use within the District's sewered area, unsewerd area, and SOI, MKN used the District's existing GIS parcel acreage information and the baseline water usage. Water usage factors were developed on a per-acre basis to by land use type (Table 5). Theses water usage factors (or "duty factors") were applied to future user acreage to estimate future water demands.

Water demand associated with the addition of an ADU on a residential property was estimated based on a previous analysis for the District reviewing water usage for parcels with and without an existing ADU[1]. Based on the analysis it was determined that the addition of an ADU on a residential property would increase water usage on that parcel by 0.11 acre foot per year (AFY). This value was used to estimate future water use for parcels that are eligible to add an ADU.

5. CONCLUSIONS AND RECOMMENDATIONS

Future Water Demand:

The District's total potential future water usage within the District's service area and SOI was estimated at 3,942 AFY based on the following:

- 2019 baseline water demand of 1,763 AF for existing District customers
- Maximum subdivision of all parcels, as allowed under current County land use ordinances, within the sewered area, unsewered area, and SOI
- The addition of an ADU on all existing and future eligible parcels

To account for maximum potential water demand (based on historical water usage trends) within the District's service area and SOI, MKN applied a peaking factor of 1.6, which is based on the peak calendar year 2004 annual production of 2,900 AFY. Multiplying the estimated water demand of 3,942 AFY by 1.6 results in an estimated potential water demand of 6,308 AFY. The ADU demand under the 2019 scenario was estimated at 722 AFY and applying the 1.6 peaking factor would increase ADU water demand to 1,155 AFY.

Future Sewer Flows:

In addition to estimating future water demand potential, MKN and District staff completed a preliminary review of future sewer flows with the District's sewered area. The combined 2019 average daily flow (ADF) from the District's two wastewater treatment facilities (Southland WWTF and Blacklake WRF) was estimated at 540,808 gallons per day (GPD). Based on review of the water consumed and wastewater collected at the treatment plants it was estimated that 49% of the water consumed is discharged to the collection system. This is a relatively low water-to-sewer return. A more detailed analysis would need to be completed to refine the water to wastewater return factor. Assuming that 49% of future water usage will return to the collection system as wastewater, the estimated ADF would increase to 947,000 gallons (2019 scenario) or 1.5 MGD assuming calendar year 2004 peak conditions.

[1] NCSD Board of Directors Staff Report October 4, 2019.

Attachments:

Table 1. Summary of Parcels in NCSD Existing Boundary and SOI Boundary

Table 2. Details of Parcels in NCSD Existing Boundary within Sewer Service Area

Table 3. Details of Parcels in NCSD Existing Boundary outside Sewer Service Area

Table 4. Details of Parcels in NCSD Sphere of Influence

Table 5. Land Use Factors Based on 2019 Usage

Attachments

Table 1. Summary of Parcels In NCSD Existing Boundary and SOI Boundary

Parcels in Sewer Service Area	**Water Demand (AFY)**	**Sewer Flow (GPD)**
Existing User Demand	1,243	540,808
ADU Demand *(based on existing users with no subdision potential)*	270	118,180
Future User Demand *(new users, existing subdivided parcels, and vacant parcels)*	450	196,665
ADU Demand *(based existing subdivided parcels and future users)*	208	90,914
Subtotal	**2,171**	**946,567**
Parcels outside Sewer Service Area	**Water Demand (AFY)**	**No Additional Sewer Flow**
Existing User Demand	479	
ADU Demand *(based on existing users with no subdision potential)*	81	
Future User Demand *(new users, existing subdivided parcels, and vacant) parcels)*	161	
ADU Demand *(based existing subdivided parcels and future users)*	25	
Subtotal	**746**	
Parcels within NCSD SOI	**Water Demand (AFY)**	
Future User Demand *(new users, existing subdivided parcels, and vacant) parcels)*	886	
ADU Demand *(based on existing and future users)*	139	
Subtotal	**1025**	
Grand Total NCSD Demand ***(based on 2019 water demand and sewer flow)***	**3,942**	**946,567**
Grand Total NCSD Demand ***(based on 2004 demand factor of 1.6)***	**6,307**	**1,514,506**

Notes:

1. Current (2019) production total of 1763 AFY.
2. Calendar year 2004 production was 2900 AFY.
3. Calculating 2004 Demand Factor [2900/1763 =1.6]
4. Sewer Flow Average Annual GPD = 49% of annual water demand

Table 2. Details of Parcels In NCSD Existing Boundary within Sewer Service Area

Parcels in NCSD Sewer Service Area	Number of Parcels A	Area (Acre) B	Land Use Demand Factor (AFY/Acre) C	ADU Demand Factor (AFY) D	Average Annual Water Use (AFY) E
Number of existing water customer parcels within sewer service area	3,399	1,267	-	-	1,243
Parcels that will not require NCSD water *(well site parcel, open space parcel, etc.)*	100	288	-	-	-
Future water users *(Water Demand Calculated Below)*	160	166	-	-	-
Total	3,659	1,721		Subtotal	1,243
Existing User Parcels Without ADU Potential - *(Water demand accounted for in "Number of Existing Water Customer" above)*					
Commercial Service (CS) lots not eligible to add an ADU	15	36	-	-	-
Public Facility (PF) lots not eligible to add an ADU	5	19	-	-	-
Rural Lands (RL) lots not eligible to add an ADU	1	3	-	-	-
Recreation (REC) lots not eligible to add an ADU (<1750 sf)	70	2	-	-	-
Residential Multi-Family (RMF) lots not eligible to add an ADU	563	98	-	-	-
Residential Suburban (RS) lot with existing ADU	8	9	-	-	-
Residential Single Family (RSF) lot with existing ADU	21	4	-	-	-
				Subtotal	0
Existing User Parcels with Subdivision Potential					**B x C**
Agriculture (AG) lots > 2.0 acre (assuming RS water usage factor)	2	90	0.50	-	45
Residential Suburban (RS) lots > 2.0 acre (assuming RS water usage factor)	7	30	0.50	-	15
Residential Single Family (RSF) lots > 12000 sf (assuming RSF water usage factor)	275	192	1.15	-	221
				Subtotal	281
Existing User Parcels With ADU Potential < 12000 sf RSF and < 2.0 RS acres eligible to add an ADU		**B**	**C**	**D**	**B x C**
Commercial Retail (CR) (includes lots > 2.0 acres)	74	74	-	0.11	8
Office and Professional (OP) (includes lots > 2.0 acres)	23	14	-	0.11	3
Residential Suburban (RS)	162	108	-	0.11	18
Residential Single Family (RSF)	1,694	291	-	0.11	186
Residential Single Family/Office and Professional (RSF/OP)	2	3	-	0.11	0.22
Recreation (REC) (includes 1 lot > 2.0 acres)	501	136	-	0.11	55
				Subtotal	270
Existing User Parcels with ADU Potential *(based on subdivision potential)*		**B**	**C**	**D**	**A x D**
Agriculture (AG) lots > 2.0 acre (assuming RS water usage factor)	90	-	-	0.11	10
Residential Suburban (RS) lots > 2.0 acre (assuming RS water usage factor)	30	-	-	0.11	3
Residential Single Family (RSF) lots > 2.0 acre (assuming RSF water usage factor)	1,391	-	-	0.11	153
				Subtotal	166
Future NCSD Water Demand within of Sewer Service Area *(no subdivision potential)*		**B**	**C**	**D**	**B x C**
Residential Single Family (RSF) lots < 12,000 SF (assuming RSF water usage factor)	24	5	1.15	-	5
Residential Suburban (RS) lots < 2.0 acre (assuming RS water usage factor)	7	6	0.50	-	3
				Subtotal	9
Future NCSD Water Demand within of Sewer Service Area *(subdivision potential unsure)*		**B**	**C**	**D**	**B x C**
Commercial Retail (CR)	56	62	1.21	-	75
Commercial Service (CS)	6	20	0.41	-	8
Office and Professional (OP)	10	3	0.57	-	2
Public Facility (PF)	1	1	0.33	-	0.32
Residential Multi-Family (RMF)	12	9	2.01	-	18
Recreation (REC)	4	9	0.50	-	4
				Subtotal	107
Future NCSD Water Demand within of Sewer Service Area *(based on subdivision potential)*		**B**	**C**	**D**	**B x C**
Residential Suburban (RS) lots > 2.0 acre (assuming RS water usage factor)	3	8	0.50	-	4
Residential Single Family (RSF) lots > 12,000 SF (assuming RSF water usage factor)	37	42	1.15	-	48
				Subtotal	52
ADU Potential (no subdivision potential)		**B**	**C**	**D**	**E = (A x D)**
Commercial Retail (CR)	56	-	-	0.11	6
Office and Professional (OP)	10	-	-	0.11	1
Recreation (REC)	4	-	-	0.11	0.44
				Subtotal	7
ADU Potential (based on subdivision potential)	**A**	**B**	**C**	**D**	**E = (A x D)**
Residential Suburban (RS) lots > 2.0 acre (assuming RS water usage factor)	8	-	-	0.11	0.9
Residential Single Family (RSF) lots > 12,000 SF (assuming RSF water usage factor)	304	-	-	0.11	33
				Subtotal	34
				Grand Total Water Demand	**2,171**

Table 3. Details of Parcels In NCSD Existing Boundary Outside Sewer Service Area

Parcels outside NCSD sewer service area	Number of Parcels A	Area (Acre) B	Land Use Demand Factor (AFY/Acre) C	ADU Demand Factor (AFY) D	Average Annual Water Use (AFY) E
Number of existing water customer parcels outside sewer service area	828	1,589	-	-	479
Parcels that will not require NCSD water (well site parcel, open space parcel, etc.)	17	98	-	-	-
Future water users	100	502	-	-	-
Total	945	2,189		Subtotal	**479**
Existing User Parcels Without ADU Potential - Subtotal ***(Water demand accounted for in "Number of Existing Water Customer" above)***					
Commercial Service (CS) lots not eligible to add an ADU	4	5	-	-	-
Public Facility (PF) lot not eligible to add an ADU	1	3	-	-	-
Residential Rural (RR) lots eligible to add an ADU	21	99	-	-	-
Residential Suburban (RS) lot with existing ADU	32	9	-	-	-
Recreation (REC) lot not eligible to add an ADU	2	134	-	-	-
				Subtotal	**0**
Existing User Parcels with Subdivision Potential - Subtotal	**A**	**B**	**C**	**D**	**E = (B x C)**
Agriculture (AG) lots > 2.0 acre (assuming RS water usage factor)	2	7	0.50	-	3
Residential Rural (RR) lots > 10.0 acre (assuming RR water usage factor)	14	167	0.15	-	25
Residential Suburban (RS) lots > 2.0 acre (assuming RS water usage factor)	18	58	0.50	-	29
				Subtotal	**58**
Existing User Parcels with ADU Potential - Subtotal	**A**	**B**	**C**	**D**	**E = (A x D)**
Residential Rural (RR) lots eligible to add an ADU	166		-	0.11	18
Residential Suburban (RS) lots eligible to add an ADU	568		-	0.11	62
				Subtotal	**81**
Existing User Parcels with ADU Potential ADU Potential (based on subdivision potential)	**A**	**B**	**C**	**D**	**E = (A x D)**
Agriculture (AG) lots eligible to add an ADU	6	-	-	0.11	1
Residential Rural (RR) lots eligible to add an ADU	33	-	-	0.11	4
Residential Suburban (RS) lots eligible to add an ADU	58	-	-	0.11	6
				Subtotal	**11**
Future NCSD Water Demand outside of Sewer Service Area ***(no subdivision potential)***	**A**	**B**	**C**	**D**	**B x C**
Commercial Service (CS) lots	1	8	0.41	-	3
Residential Rural (RR) lots < 10.0 acre (assuming RR water usage factor)	58	264	0.15	-	40
Residential Suburban (RS) lots < 2.0 acre (assuming RS water usage factor)	25	25	0.50	-	12
Recreation (REC) lots (assuming REC water usage factor)	2	19	0.65	-	13
				Subtotal	**69**
Future NCSD Water Demand outside of Sewer Service Area ***(based on subdivision potential)***	**A**	**B**	**C**	**D**	**B x C**
Agriculture (AG) lots > 2.0 acre (assuming RS water usage factor)	1	6	0.50	-	3
Residential Rural (RR) lots > 10.0 acre (assuming RR water usage factor)	11	167	0.15	-	26
Residential Suburban (RS) lots > 2.0 acre (assuming RS water usage factor)	2	12	0.50	-	6
				Subtotal	**35**
ADU Potential ***(no subdivision potential)***	**A**	**B**	**C**	**D**	**E = (A x D)**
Residential Rural (RR) lots eligible to add an ADU	57	-	-	0.11	6
Residential Suburban (RS) lots eligible to add an ADU	19	-	-	0.11	2
				Subtotal	**8**
ADU Potential ***(based on subdivision potential)***	**A**	**B**	**C**	**D**	**E = (A x D)**
Agriculture (AG) lots eligible to add an ADU	6	-	-	0.11	1
Residential Rural (RR) lots eligible to add an ADU	33	-	-	0.11	4
Residential Suburban (RS) lots eligible to add an ADU	12	-	-	0.11	1
				Subtotal	**6**
				Grand Total Water Demand	**746**

Table 4. Details of Parcels In NCSD Sphere of Influence

Parcels within NCSD SOI	Number of Parcels A	Area (Acre) B	Land Use Demand Factor (AFY/Acre) C	ADU Demand Factor (AFY) D	Average Annual Water Use (AFY) E
Number of parcels within SOI	1,887	4,501	-	-	-
Number of parcels within SOI served by GSWC *(Subtract from NCSD SOI Total)*	1,477	1,299	-	-	-
Total Parcels in NCSD SOI *(Minus Parcels in GSWC)*	410	3,202		Subtotal	0
Future NCSD Water Demand within SOI (no subdivision potential)	**A**	**B**	**C**	**D**	**E = (B x C)**
Agriculture (AG) lots < 2.0 acre *(assuming RS water usage factor)*	10	5.6	0.50	-	2.8
Commercial Retail (CR) lots < 2.0 acre *(assuming CR water usage factor)*	1	0.3	1.21	-	0.3
Commercial Service (CS) lots	28	37.0	0.41		15.1
Residential Rural (RR) lots < 10.0 acre (assuming RR water usage factor)	239	1117.8	0.15	-	170.5
Residential Suburban (RS) lots < 2.0 acre *(assuming RS water usage factor)*	16	7.6	0.50	-	3.8
Residential Single Family (RSF) lots < 2.0 acre *(assuming RSF water usage factor)*	9	8.1	1.15	-	9.3
Rural Lands (RL) lots *(assuming RL water usage factor)*	8	271.5	0.08	-	21.6
Recreation (REC) lots *(assuming REC water usage factor)*	3	40.4	0.65		26.2
				Subtotal	250
Future NCSD Water Demand within SOI (with subdivision potential)	**A**	**B**	**C**	**D**	**E = (B x C)**
Agriculture (AG) lots > 2.0 acre *(assuming RS water usage factor)*	29	465	0.50	-	234.1
Commercial Retail (CR) lots > 2.0 acre *(assuming CR water usage factor)*	2	7	1.21	-	8.1
Residential Rural (RR) lots > 10.0 acre *(assuming RR water usage factor)*	30	903	0.15	-	137.7
Residential Suburban (RS) lots > 2.0 acre *(assuming RS water usage factor)*	24	207	0.50	-	104.1
Residential Single Family (RSF) lots > 2.0 acre *(assuming RS water usage factor)*	11	133	1.15	-	152.8
				Subtotal	637
ADU Potential (no subdivision potential)	**A**	**B**	**C**	**D**	**E = (A x D)**
Agriculture (AG) lots < 2.0 acre *(assuming RS water usage factor)*	10	-	-	0.11	1.1
Commercial Retail (CR) lots < 2.0 acre *(assuming CR water usage factor)*	1	-	-	0.11	0.1
Residential Rural (RR) lots < 10.0 acre *(assuming RR water usage factor)*	239	-	-	0.11	26.3
Residential Suburban (RS) lots < 2.0 acre *(assuming RS water usage factor)*	16	-	-	0.11	1.8
Residential Single Family (RSF) lots < 2.0 acre *(assuming RSF water usage factor)*	9	-	-	0.11	1.0
				Subtotal	30
ADU Potential (based on subdivision potential)	**A**	**B**	**C**	**D**	**E = (A x D)**
Agriculture (AG) lots eligible to add an ADU	465	-	-	0.11	51.2
Commercial Retail lots (CR) lots eligible to add an ADU	6	-	-	0.11	0.7
Residential Rural (RR) lots eligible to add an ADU	180	-	-	0.11	19.8
Residential Suburban (RS) lots eligible to add an ADU	206	-	-	0.11	22.7
Residential Single Family (RSF) lots eligible to add an ADU	132	-	-	0.11	14.5
				Subtotal	109
				Total	**1,025**

Notes

1. Excludes parcels within the SOI served by GSWC.

Table 5. Land Use Factors Based on 2019 Usage						
Land Use Category	**GPD (Based on Production)**	**% Total**	**Acreage**	**% Total**	**GPD/Acre (Based on Production)**	**AFY/Acre**
Agriculture	70,751	4.5%	168	5.6%	-	-
Commercial Retail	71,753	4.6%	66	2.2%	1,080	1.21
Commercial Service	14,906	0.9%	41	1.4%	364	0.41
Multi-Land Use Category	2,333	0.1%	21	0.7%	111	0.12
Office and Professional	5,045	0.3%	10	0.3%	505	0.57
Public Facility	6,473	0.4%	22	0.7%	291	0.33
Recreation	264,514	16.8%	457	15.3%	578	0.65
Rural Lands	221	0.0%	3	0.1%	71	0.08
Residential Multi-Family	176,468	11.2%	98	3.3%	1,795	2.01
Residential Rural	116,487	7.4%	855	28.6%	136	0.15
Residential Suburban	344,250	21.9%	766	25.6%	449	0.50
Residential Single Family	500,708	31.8%	487	16.3%	1,027	1.15
Total (GAL)	**1,573,910**	**100%**	**2,996**	**100%**		
Total (AFY)	**1,763**					

FEBRUARY 26, 2020

ITEM E-2

ATTACHMENT B

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER

DATE: OCTOBER 4, 2019

AGENDA ITEM
E-2
OCTOBER 9, 2019

REVIEW SAN LUIS OBISPO COUNTY'S PROPOSED AMENDMENTS TO THEIR ACCESSORY DWELLING UNIT ORDINANCE AND EVALUATE POTENTIAL IMPACTS PROPOSED AMENDMENTS HAVE ON DISTRICT'S WATER ENTERPRISE AND POLICIES

ITEM

Review San Luis Obispo County's proposed amendments to their Accessory Dwelling Unit ("ADU") Ordinance and evaluate potential impacts the proposed amendments could have on the District's Water Enterprise and water policies [RECOMMEND REVIEW COUNTY ORDINANCE AMENDMENTS, ASSESS POTENTIAL IMPACTS, AND DIRECT STAFF]

BACKGROUND

At your Honorable Board's August 28, 2019 Board Meeting, a copy of the County of San Luis Obispo Accessory Dwelling Ordinance ("ADU Ordinance"), Phase II Public Review Draft dated January 9, 2019 was included in the Manager's Report. The purpose of including this item was to provide your Board with the knowledge of the proposed amendments to the ADU Ordinance, and to inform the Board of staff's intentions to investigate the potential impact the amended changes could have on the District's Water Enterprise and policies.

At your Honorable Board's September 11, 2019 Board Meeting, staff presented its review of the ADU Ordinance and sought Board direction [Attachment B]. The Board expressed concern and directed staff to continue its review of the potential impacts the proposed County Ordinance would have on the District's policies and water supply. In particular your Board directed staff to determine:

(1) Number of parcels within the District's boundaries that could potentially add an ADU.

(2) Extent of additional water potentially consumed if these parcels added an ADU.

(3) How water consumption varies;

  (a) based on lot size and,

  (b) between parcels with an ADU and parcels without an ADU.

Since your September 11, 2019 Board Meeting, the San Luis Obispo County Planning Commission ("Planning Commission") met to continue their discussion of the ADU Ordinance. After receiving County staff's report and taking public comment, the Planning Commission recommended the Board of Supervisors approve the amendments with the following changes:

- Prohibiting ADUs in the Very High Fire Hazard Severity Zone countywide
- Allowing one ADU on Agriculture and Rural Lands parcels in addition to the two primary dwellings allowed
- Adding language that an ADU is considered Residential Accessory Use for the purpose of determining land use limitations in Article 9 (Planning Area Standards) and Article 10 (Community Planning Standards)
- Allowing ADUs in front of the primary residence as long as it still meets the setback requirements.

County staff is anticipating that the ADU Ordinance will be heard by the Board of Supervisors in early 2020. The above changes do not have a measurable effect with regard to District water supply or policies.

To address the questions posed by your Board from the September 11, 2019 Board Meeting, District staff worked with MKN Engineers to compile and examine available data and has provided this data in the table below.

Table 1: ADU Summary

Existing ADU Summary								
Year	**Lot Size (SF/AC)**	1,750 to 6,000 sqft	6,000 to 10,890 sqft	1/4 to 1/2 acre	1/2 to 1 acre	1 to 5 acre	> 5 acre	Summary
	Acre	**0.04 to 0.14**	**0.15 to 0.25**	**0.26 to 0.5**	**0.6 to 1.0**	**1.1 to 5.0**	**> 5.1**	
2018	**# of Lots**	2	20	35	36	44	15	**152**
	Average water use (AFY)	0.25	0.37	0.41	0.55	0.73	0.67	**0.50**
2017	**# of Lots**	2	20	35	36	44	14	**151**
	Average water use (AFY)	0.20	0.34	0.36	0.47	0.67	0.53	**0.43**
Existing Water User Summary (Eligible Residential Lots Only without Existing ADU)								
2017	**# of Lots**	780	1205	286	243	302	37	**2853**
	Average water use (AFY)	0.22	0.27	0.34	0.48	0.72	1.20	**0.54**

The District has 152 known parcels with ADUs. Average water use was calculated for varying lot sizes in order to understand if there is a correlation between lot size and water usage. As demonstrated above, the larger the lot the greater the water usage. This is most likely attributed to increased landscape irrigation on the larger lots. The over-all average for water use on parcels with an ADU is below the allocated amount of water prescribed in the District's Supplemental Water Accounting Policy, .53 acre-feet per 1-inch equivalent water meter. A 1-inch water meter is standard for single family residential parcels.

There are approximately 2,853 eligible residential lots that could add an ADU. In order to estimate the increased water demand ADUs could potentially add to the District's water system, staff first established current water demand of lots with ADUs in the District's boundary. Table 1 data is derived from actual usage pulled from the District customer billing records. Those properties in the category of 6,000 to 10,890 square feet have the most number of lots, and the biggest difference in water usage between lots with and without ADUs. The highest difference in water

usage between lots with and without ADUs, are lots greater than 5 acres, but are the fewest in number.

Table 2: Additional Water Usage

Nipomo CSD ADU Summary							
Lot Size (SF/AC)	1,750 to 6,000	6,000 to 10,890	1/4 to 1/2 acre	1/2 to 1 acre	1 to 5 acre	> 5 acre	Summary
Acre	**0.05 to 0.14**	**0.15 to 0.25**	**0.26 to 0.5**	**0.6 to 1.0**	**1.1 to 5.0**	**> 5.1**	
Number of Lots	780	1205	286	243	302	37	**2853**
Difference in water use (AFY)	.03	0.1	0.02	0.02	0.02	0.02	
Average water use w/ADU(AFY)	23.4	120.5	5.72	4.86	6.04	0.74	**161.3**

Using data from Table 1, calculating the difference in water usage between lots with and without ADUs, having a minimum of .02 acft where the difference is not demonstrated, Table 2 calculates an added demand of 161.3 acft for the existing 2,853 lots without ADUs.

Table 3: Undeveloped Lots

County Zoning	Parcels	Acreage	Avg Parcel Size[1]	Potential Units[2]	Avg Lot Use[3]	Total Water
CR/RMF	2	12	6	180	0.25	45
RMF	7	5	0.71	75	0.25	18.8
RR	8	59	7.38	12	0.56	6.6
RS	7	11	1.57	11	0.40	4.4
RSF	40	25	0.63	40	0.40	16
Totals:	**80**	**142**		**318**		**90.8 Acft**

1. Acreage/Parcels
2. Max Density of 15 units/acre
3. Avg Parcel Water Usage with ADU; Table 2. Nipomo CSD ADU Summary

Table 3 calculates the number of undeveloped lots located where ADUs would be permitted. Using the average water usage from Table 1 for the "Avg Lot Use" and multiplying the Potential Units per County Zoning category, a "Total Water" of 90.8 acft was calculated for the 80 undeveloped parcels. Using the allocation assigned in the Supplemental Water Accounting Policy [Attachment A] is difficult for commercial parcels, as their development water demand can vary widely. If we simply apply the .53 acft per parcel, the total water usage would be 42.5 acft. Using this strategy, there would be additional use of almost 50 acft (90.8 - 42.5 = 48.3) for these lots if they were to add and ADU.

If these calculations found in Tables 1, 2 and 3 are correct, then, by adding the 161.3 acft for developed lots that could add an ADU, to the 50 acft anticipated demand on undeveloped parcels at their maximum potential usage including ADU usage, it could be anticipated that a maximum of 200 acft of demand could be caused if every parcel eligible for adding an ADU elected to construct an ADU.

FISCAL IMPACT

Funds for staff time to support this research project, are included in the FY 2019-20 Budget.

STRATEGIC PLAN

Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

Goal 2. FACILITIES THAT ARE RELIABLE, ENVIRONMENTALLY SENSIBLE AND EFFICIENT. Plan, provide for and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations.

B.1 NCSD shall maintain long-range infrastructure management, upgrade and replacement planning.

RECOMMENDATION

Staff recommends that your Honorable Board review the identified county amendments added to the County's ADU Ordinance, assess the potential impacts on the District's water supply and polices, and direct staff.

ATTACHMENT

A. Resolution 2015-1372 Adopting a Supplemental Water Accounting Policy
B. September 11, 2019 Staff Report, Review San Luis Obispo County Accessory Dwelling Unit Ordinance

OCTOBER 9, 2019

ITEM E-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-1372
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING A SUPPLEMENTAL WATER ACCOUNTING POLICY

WHEREAS, the Nipomo Community Services District ("District") is a party to a groundwater adjudication, Santa Maria Valley Water Conservation District v. City of Santa Maria, etc. et al., Case No. CV 770214 ("Groundwater Litigation"); and

WHEREAS, the District's current water supply is groundwater extracted from the Nipomo Mesa Management Area (NMMA) as established by the court in the Santa Maria Groundwater Litigation (also referred to as the Nipomo Mesa Water Conservation Area (NMWCA) by the County of San Luis Obispo, pursuant to County Ordinance 3090), of the Santa Maria Groundwater Basin; and

WHEREAS, pursuant to Section VI D(1) of the June 2005 Stipulation as incorporated into the January 25, 2008, Final Judgment in the Groundwater Litigation, the Nipomo Mesa Management Area Technical Group has declared that a "Potentially Severe Water Shortage Condition" exists within the Nipomo Mesa Management Area; and

WHEREAS, the San Luis Obispo County Department of Planning and Building's 2004 Resource Capacity Study for the Water Supply in the Nipomo Mesa Area recommended a Level of Severity III (existing demand equals or exceeds dependable supply) be certified for the Nipomo Mesa Area and that measures be implemented to lessen adverse impacts of future development (said Study and referenced documents are incorporated herein by reference); and

WHEREAS, the San Luis Obispo County Board of Supervisors ("County") in June 2007, certified the Nipomo Mesa Water Conservation Area as a Severity Level III, meaning that existing water demand equals or exceeds the dependable supply; and

WHEREAS, the resource protection goals of the San Luis Obispo County South County Area Plan includes the following:

- Balance the capacity for growth allowed by the Land Use Element with the sustained availability of resources.

- Avoid the use of public resources, services and facilities beyond their renewable capacities, and monitor new development to ensure that its resource demands will not exceed existing and planned capacities or service levels; and

WHEREAS, the District is constructing a supplemental water project to increase its available water supply and meet the District's share of the court ordered commitment to bring a minimum of 2,500 AFY of supplemental water to the Nipomo Mesa Management Area (NMMA); and

WHEREAS, the District's supplemental water project includes a 500 AFY capacity reservation for new development within the District's existing boundaries consistent with the court order requirements that all new urban water demand within the NMMA be met with new developed water; and

WHEREAS, the purpose of the Supplemental Water Accounting Policy is to account for water reserved for all new development within the District against the 500 AFY supplemental water project capacity to ensure that the District does not over reserve or under reserve water for future development; and

WHEREAS, the Supplemental Water Accounting Policy will allow the District to track when it is getting close to fully accounting for and reserving the 500 AFY of supplemental water so that the District can plan for acquiring additional supplies; and

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-1372
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING A SUPPLEMENTAL WATER ACCOUNTING POLICY

WHEREAS, the policy shall apply to all new development applications initiated or renewed after January 25, 2008; and

WHEREAS, based on the Staff Report, Staff presentation, and public comment, the District Board of Directors finds:

A. That the purpose and intent of this Resolution is consistent with the purposes found in the Judgment and Stipulation in the Ground Water Litigation imposing a physical solution to assure long term sustainability of the groundwater basin and the San Luis Obispo County's certification of a Severity Level III for the waters underlying the NMWCA and;

B. That adopting this Resolution will ensure the water supply for the greater public benefit, with particular regards to domestic use, sanitation and fire protection by ensuring that all new urban demand within the District is satisfied with new developed water and;

WHEREAS, based on the Staff Report, Staff presentation, and public comment, the District Board of Directors further finds this Resolution is adopted for the protection of the health, safety and welfare of District water customers who depend on the underlying ground water basin as their source of water supply.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT THAT:

1. Exhibit "A", attached hereto, is hereby incorporated by this reference as the District's Supplemental Water Accounting Policy
2. The above Recitals are true and correct and incorporated herein by reference.

Upon the motion of Director Armstrong, seconded by Director Gaddis, and on the following roll call vote, to wit:

AYES: Directors Armstrong, Gaddis, Eby, Woodson and Blair
NOES: None
ABSENT: None
CONFLICTS: None

the foregoing resolution is hereby adopted this 8th day of April 2015.

CRAIG ARMSTRONG
President of the Board

ATTEST:

MICHAEL S. LEBRUN
General Manager and Secretary to the Board

APPROVED AS TO FORM:

MICHAEL W. SEITZ
District Legal Counsel

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2015-1372
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING A SUPPLEMENTAL WATER ACCOUNTING POLICY

EXHIBIT A

NIPOMO COMMUNITY SERVICES DISTRICT
SUPPLEMENTAL WATER ACCOUNTING POLICY

Background

The District is constructing a supplemental water project to increase its available water supply and meet the District's share of the court ordered commitment to bring a minimum of 2,500 AFY of supplemental water to the Nipomo Mesa Management Area (NMMA). In addition, the District's supplemental water project includes a 500 AFY capacity reservation for new development within the District's existing boundaries consistent with the court order requirements that all new urban water demand within the NMMA be met with new developed water.

Purpose

The purpose of the Supplemental Water Accounting Policy is to account for water reserved for all new development within the District against the 500 AFY supplemental water project capacity to ensure that the District does not over reserve or under reserve water for future development. In addition, the District needs to track when it is getting close to fully accounting for and reserving the 500 AFY of supplemental water so that the District can plan for acquiring additional supplies. The policy shall apply to all new development applications initiated or renewed after January 25, 2008.

Supplemental Water Accounting

The policy is based on the use of equivalent meters and five-year average total production for assigning a volume of supplemental water to new water connections. Based on the data from FY 09-10 to FY 13-14, a 1–inch equivalent meter will be assigned a volume of .53 AFY.

Supplemental water for all new water connections, residential and commercial, will be accounted for based on meter size. Meter capacity ratios, which are based on physical meter capacity, will be used to account for and reserve water for other size meters as follows:

METER SIZE	CAPACITY RATIO	ASSIGNED VOLUME
1 inch and Less	1.0	0.53 acre feet
1 and ½ inch	3.0	1.59 acre feet
2 inch	4.8	2.54 acre feet
3 inch	9.0	4.77 acre feet
4 inch	15.0	7.95 acre feet

Connections larger than 4-inch will be calculated as needed on a case by case basis.

Water will be assigned to new development when Intent-to-Serve letters, that are subject to expiration, are issued and reserved for new development when Will-Serve letters are issued.

Supplemental water accounting totals shall be reported to the Board monthly in the General Manager's report.

The Supplemental Water Accounting Policy shall be reviewed annually in January.

OCTOBER 9, 2019

ITEM E-2

ATTACHMENT B

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER

DATE: SEPTEMBER 6, 2019

AGENDA ITEM
E-1
SEPTEMBER 11, 2019

REVIEW SAN LUIS OBISPO COUNTY ACCESSORY DEWELLING UNIT ORDINANCE PHASE II - PUBLIC REVIEW DRAFT AND DIRECT STAFF

ITEM

Review the County of San Luis Obispo Accessory Dwelling Ordinance Phase II proposed amendments and revision as presented in the Public Review Draft. [RECOMMEND REVIEW AND DIRECT STAFF]

DISCUSSION

PURPOSE

Determine what impact, if any, San Luis Obispo County's ("County") proposed Accessory Dwelling Unit (ADU) Ordinance could have on the Nipomo Community Services District's ("District") Codes, Policies, and water supply if it were passed with the proposed Public Draft language. This staff report focuses on providing your Honorable Board with background information on the County's ADU Ordinance changes so your Board can formulate questions for staff to resolve. It is anticipated District staff will return to your Board with additional information in October to provide additional answers.

BACKGROUND

The San Luis Obispo County Board of Supervisors ("Board of Supervisors") is considering amendments and revisions to its Title 22 (Land Use Ordinance) and Title 23 (Coastal Zone Land Use Ordinance) ordinances related to accessory dwelling units. The current amendments and revisions are found in the January 9, 2019 County of San Luis Obispo Accessory Dwelling Ordinance Phase II – Public Review Draft [Attachment A]. The Board of Supervisors is looking to remove barriers to the creation of ADUs.

In order to determine if the proposed amendments and revisions of the County's Ordinances will have an impact on the District's ability to meet community service needs, staff reviewed the following:

- SLO County ADU Phase II – Public Review Draft
- Number of parcels within the District that are subject to the proposed amendments
- District Codes and Policies (i.e. Supplemental Water Accounting Policy)
- Current ADU water consumption

COUNTY ORDINANCE REVIEW

The introduction section of the County's Public Review Draft – Phase II, identifies a list of recommendations that constitutes the Ordinance framework developed by staff from its research and public input. The following items were pulled from this section to be highlighted for the purpose of District review as these particular items may be of consequence to the District.

- "Elimination of most ADU exclusion areas." County staff is suggesting that, by eliminating 34 exclusion areas, an additional 17,000 parcels would be freed up to build ADUs.

- "Elimination [reduction from 6,000 sqft to 1,750 sqft] of the minimum lot size for parcels on sewer and community water. Areas without community sewer (parcels on septic systems), the minimum size will be determined by the Local Agency Management Program (LAMP)."

- "Expansion of land use categories where ADUs are allowed to include Residential Multi-Family (RMF), Commercial Residential (CR), and Open Space Parks (O/P)."

The County is currently revising its LAMP. The LAMP develops minimum standards for the treatment and ultimate disposal of sewage though the use of Septic Treatment Systems in non-sewered unincorporated areas of San Luis Obispo County. It is unclear if current ADU lot size limitations – 1 acre minimum for sewered parcels – will be changed once the revisions in LAMP are approved. The County is holding LAMP outreach meetings in December 2019 to gain public input.

NUMBER OF PARCELS

The District provides water services to 4,438 water connections and 3,678 sewer connections (3,206 billed parcels, 472 CSA-1). District staff is reviewing the District's service area to define areas where sewer and community water are available and determining the parcels that could build ADUs based on the proposed changes. District staff has engaged MKN Engineers to provide maps that visually display the results of our findings. These maps and findings will be included in a subsequent ADU staff report to be presented to your Board in October.

DISTRICT CODES AND POLICIES

The District allocates .53 acre-feet per year (AFY) of water per 1-inch meter. The District Code below identifies how the .53 AFY was calculated.

NCSD District Code 3.48.010

c. The policy is based on the use of equivalent meters and five-year average total production for assigning a volume of supplemental water to new water connections. Based on the data from FY 09-10 to FY 13-14, a one-inch equivalent meter will be assigned a volume of .53 AFY.

It is the average consumption of all parcels, including parcels with ADUs, that was used to conclude that .53 AFY was the appropriate allocation per 1-inch equivalent service (water meter). This amount is also incorporated in the District Supplemental Water Allocation Policy, adopted by District Resolution 2015-1372 [Attachment B].

District Legal Counsel is reviewing the County's Public Review Draft to provide your Board with insight into the origins of the County's Ordinance amendments and revisions and any legal implications to the District's Codes and Policies.

NUMBER OF ADUs IN DISTRICT

As of the end of calendar year 2018, there were 193 parcels registered in the District's customer database as having ADUs. A concerted effort to track the number of ADUs began in 2009. Prior to 2009, the District did not track ADUs, so it is unknown how many ADUs were added to parcels prior to 2009. District staff has requested from the County's Planning and Building Department, all South County parcels that have permitted ADUs. District staff will use this information to update and confirm the District's customer database is current and complete with regard to ADUs.

As stated, the District has kept records of accounts with ADUs in its customer database starting in 2009. Water consumption data of ADU accounts was pulled from these records for 2017 and 2018. District records show that in 2017 there were 191 accounts with ADUs. Two parcels with ADUs were added in 2018 bringing the total to 193 ADUs. Table 1 below shows how those accounts, 191 in 2017 and 193 in 2018, used water. The table also shows the number of accounts that used greater than the .53 AFY and the number of accounts that used less than .53 AFY.

Table 1. 2017 and 2018 Water Consumption Data for Parcels with ADUs

2017	Total	>.53	%	<.53	%
No. Accounts with an ADU	191	48	25	143	75
Usage (AFY)	76.3	41.2	54	35.2	46
Average Usage (AFY/Account)	.40	.86		.25	

2018	Total	>.53	%	<.53	%
No. Accounts with an ADU	193	52	27	141	73
Usage (AFY)	85.5	47.5	56	38.0	44
Average Usage (AFY/Account)	.44	.91		.27	

For each year, 2017 and 2018, a total of 101 AFY and 102 AFY respectively were allocated for these customers based on .53 AFY per the number of accounts (.53 AFY x 191 Accts. = 101.23 AFY). As demonstrated in Table 1 above, 76 AFY of the 101 AFY allocated for use in 2017 was used by accounts with ADUs and 85 AFY of the 102 AFY allocated in 2018 was used by accounts with ADUs.

Table 1 also demonstrates the average usage for accounts with ADUs in the District's records was .40 AFY in 2017 and .44 AFY in 2018. These calculations support the District's

conservative apportionment of .53 AFY as a defensible annual allocation of water per 1-inch equivalent service (water meter).

However, looking to fiscal year 2026 when the District must take or pay for its full allocation of supplemental water, 1,667 AFY, the District's apportionment of .53 may need to be adjusted to more closely track with actual consumption. With the past drought experience and reduction in water demand due to water conservation, the District may be overly conservative in its allocation of water.

Using the 2018 annual consumption of 1,850 AFY for existing users, the District's groundwater wells will be limited to 183 AFY [Attachment C]. This level of groundwater well pumping is half the recommended pumping needed to maintain the water quality and efficiency of the District's wells. Additional runtime for the groundwater wells would be beneficial.

The evidence from current ADU consumption, on average, is manageable through the current allocation levels of .53 AFY. Understanding the average water consumption on properties without ADUs and comparing their consumption with water consumption on properties with ADUs will be included in the upcoming October staff report.

NEXT STEPS

District staff seeks Board direction on:

1. Provide NCSD Board with an understanding of the County's ADU Policy to determine if a response to the County's Public Review Draft Accessory Dwelling Ordinance Phase II, is appropriate and/or necessary.

2. Affirmation that staff is developing the correct data to address the Board's information needs to understand the District's ability to meet potential increased water demands under the County's proposed amendments and revisions to its Ordinances as identified above.

FISCAL IMPACT

The financial impact on the District's water fund could be positive if additional demand caused by ADUs was realized. If parcels with ADUs continue to maintain an average consumption equal to or less than the .53 AFY as allocated, capital investment in upsizing infrastructure would not be necessary. If the average water use of ADUs were to start exceeding .53 AFY, then the District may need to evaluate, through system modeling, the sufficiency of the existing water distribution system.

STRATEGIC PLAN

Goal 1. WATER SUPPLIES. Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

RECOMMENDATION

It is recommended that your Board review and discuss the San Luis Obispo County Accessory Dwelling Ordinance Phase II Public Review Draft and direct staff.

ATTACHMENTS

A. County of San Luis Obispo Accessory Dwelling Ordinance, Phase-II Public Review Draft
B. NCSD Resolution 2015-1372, Supplemental Water Accounting Policy
C. NCSD Supplemental Water Projection Delivery Schedule

NIPOMO COMMUNITY SERVICES DISTRICT

San Luis Obispo County

Accessory Dwelling Unit ("ADU") Ordinance

Understanding Potential Impacts

PRESENTATION OUTLINE

- COUNTY ADU ORDINANCE
- DEFINE MAXIMUM POTENTIAL IMPACT ON NCSD WATER USE

COUNTY ADU ORDINANCE

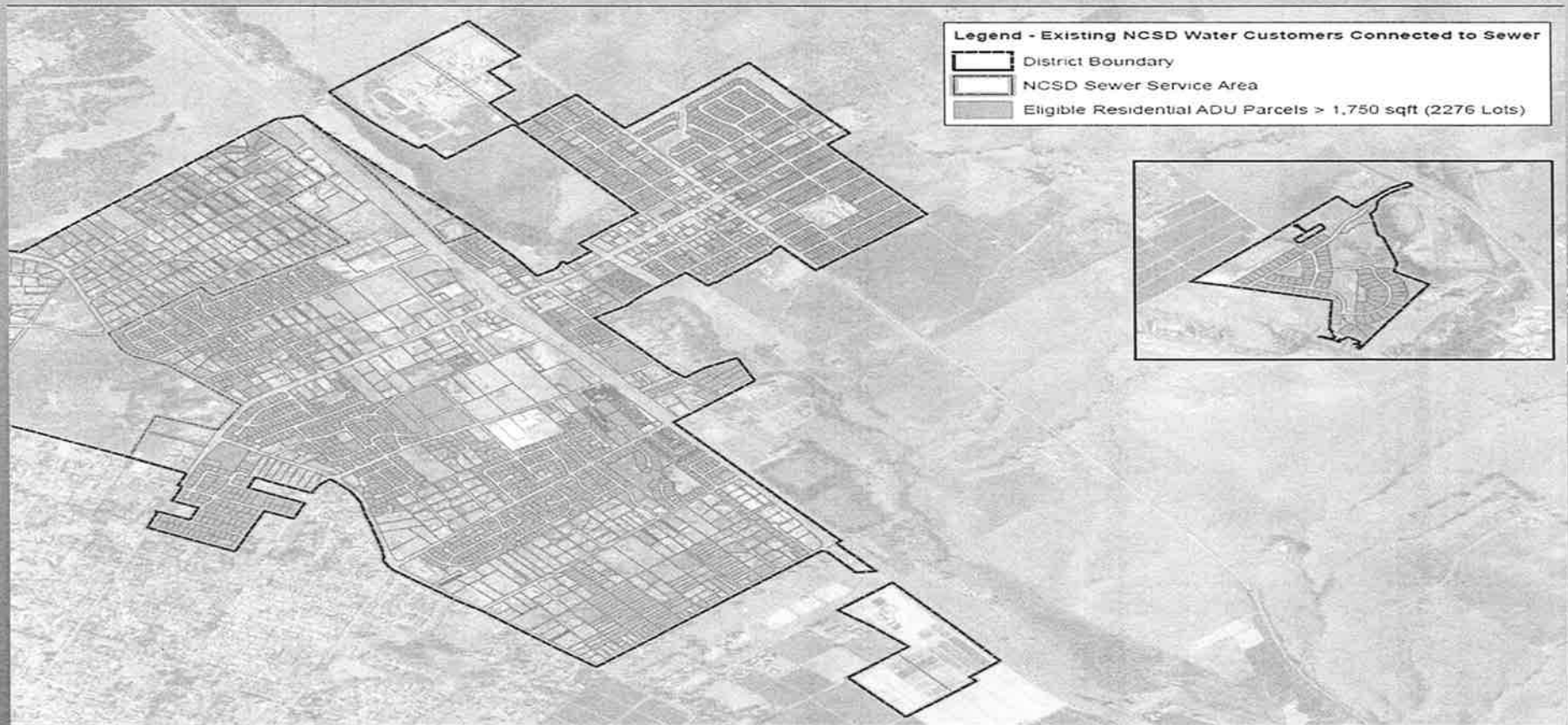
- May 25, 2017: SLO County Board of Supervisors approved Phase I of the Accessory Dwelling Unit Ordinance.
- January 9, 2019: SLO County ADU Ordinance, Phase II Public Review Draft available. (Lot sizes, Parking, …)
- September 11, 2019: SLO County Planning Commission approves with few changes
- Early 2020: Set to go before SLO County Board of Supervisors for Phase II approval

DEFINING MAXIMUM POTENTIAL IMPACT

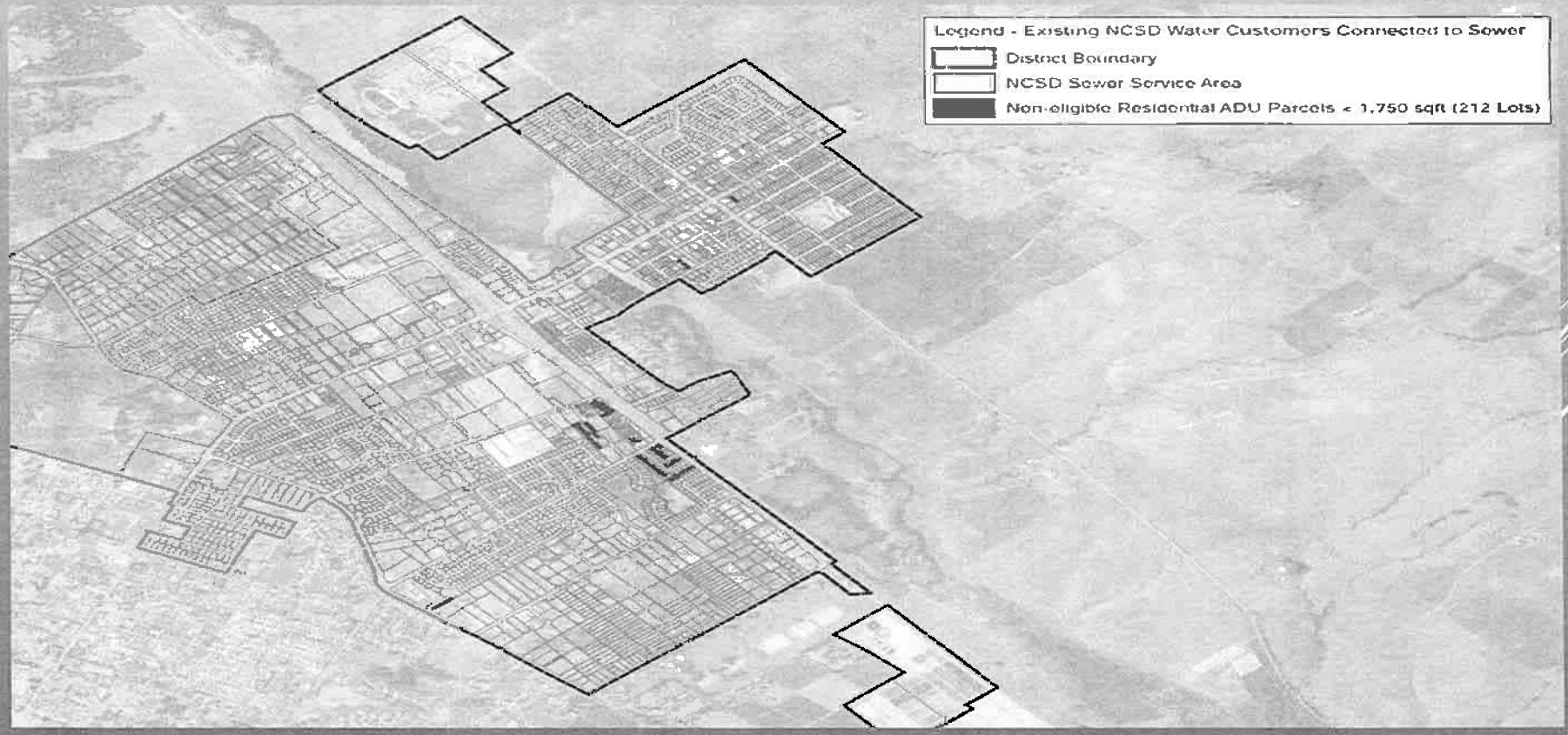
- NCSD Customers:
  - Lots within NCSD Sewer Service Area
    - 1,750 square foot lot
  - Lots outside NCSD Sewer Service Area
    - Minimum 1 acre lot
  - Lots in Blacklake

02-26-2020 E-2(B), pg. 18

LOTS WITHIN:
CONNECTED TO SEWER AND ELIGIBLE TO ADD AN ADU

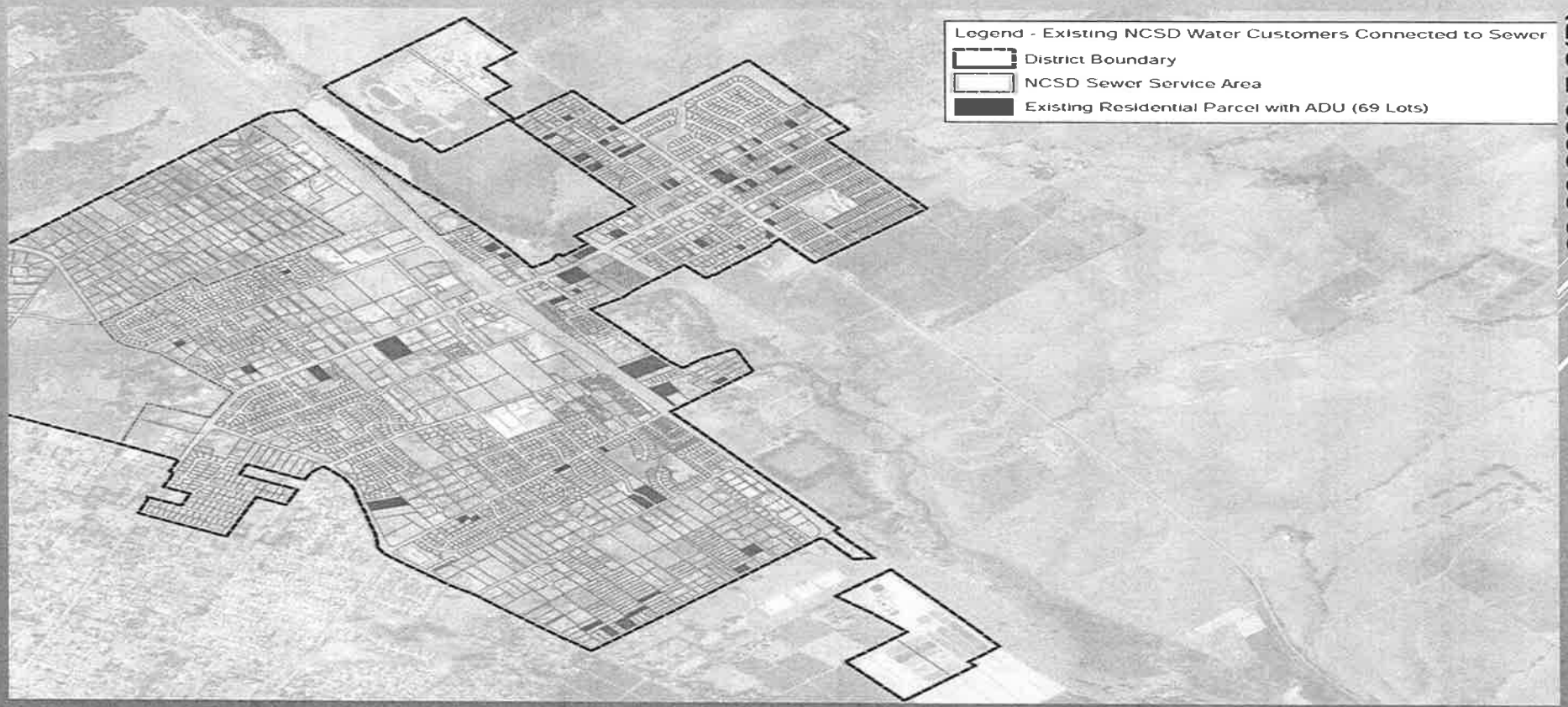


LOTS WITHIN:
CONNECTED TO SEWER AND INELIGIBLE TO ADD AN ADU



02-26-2020 E-2(B), pg. 20

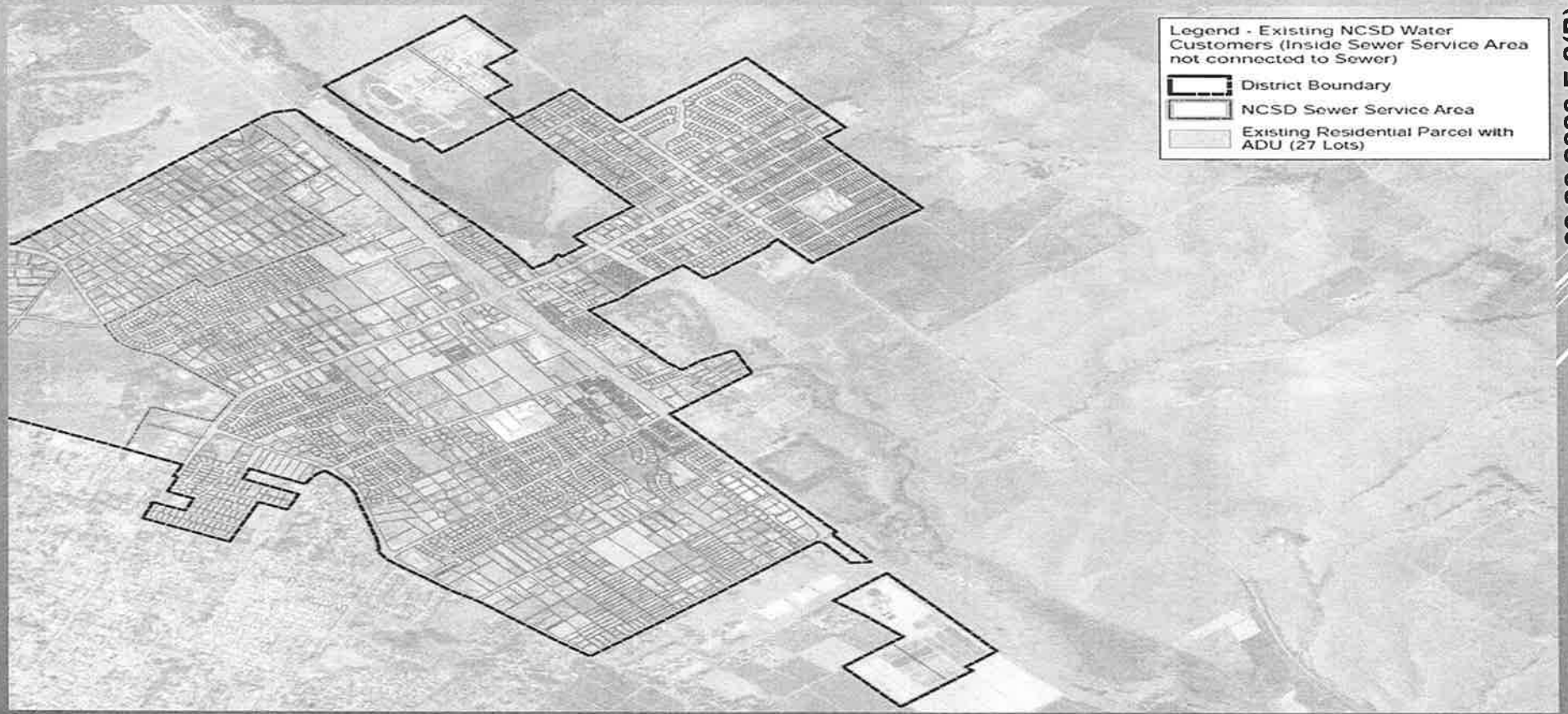
LOTS WITHIN:
CONNECTED TO SEWER AND HAVE AN ADU



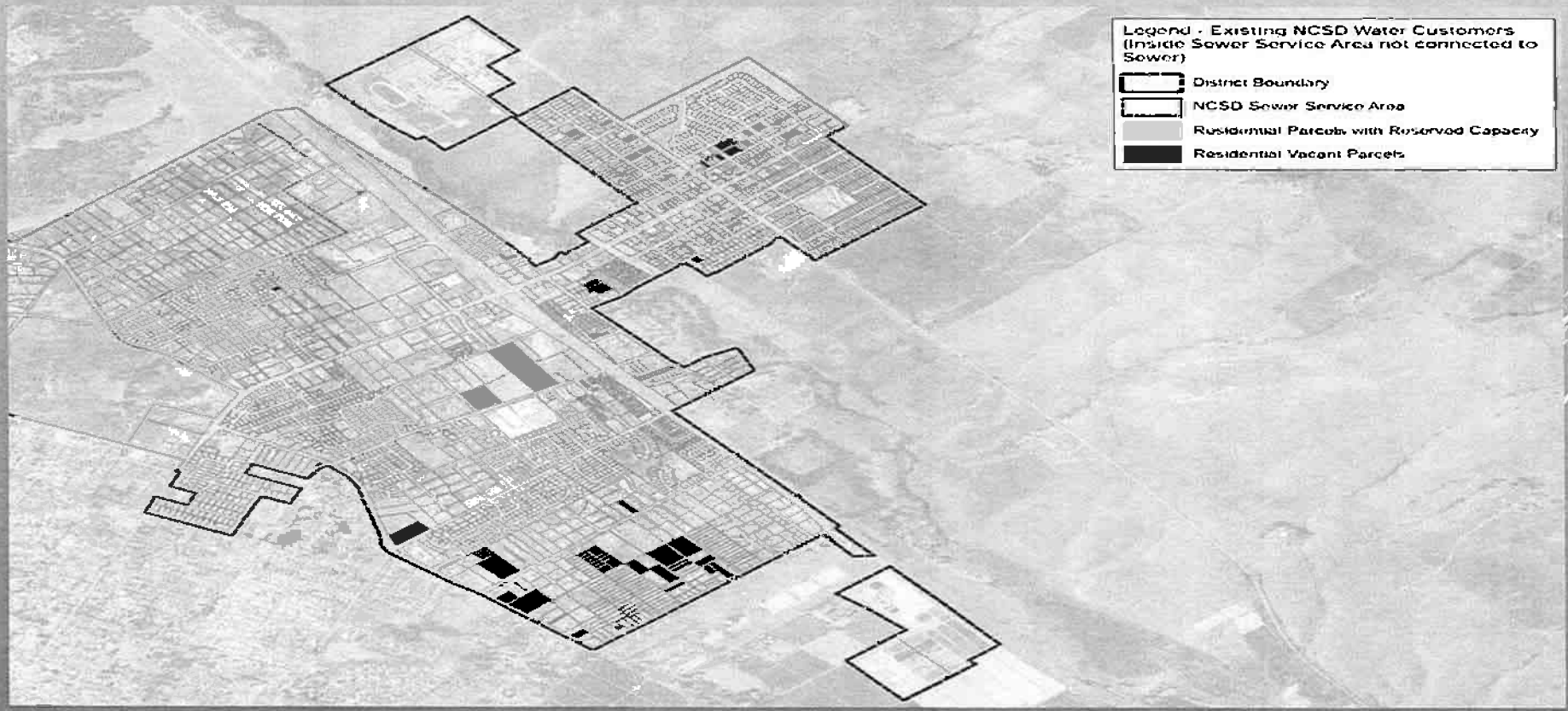
LOTS WITHIN:
NOT CONNECTED TO SEWER AND ELIGIBLE TO ADD AN ADU

02-26-2020 E-2(B), pg. 22

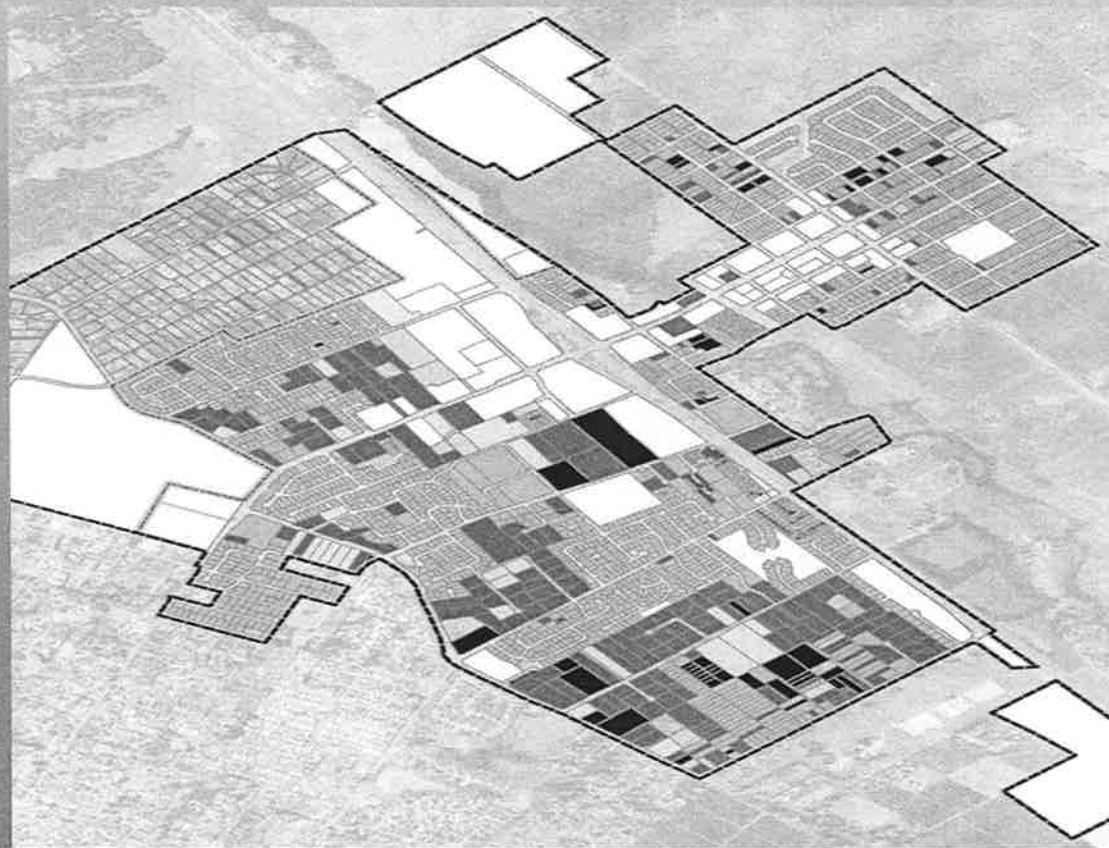
LOTS WITHIN:
NOT CONNECTED TO SEWER W/ ADU *(WATER CUSTOMER ONLY)*



LOTS WITHIN:
VACANT LAND (UNDEVELOPED)



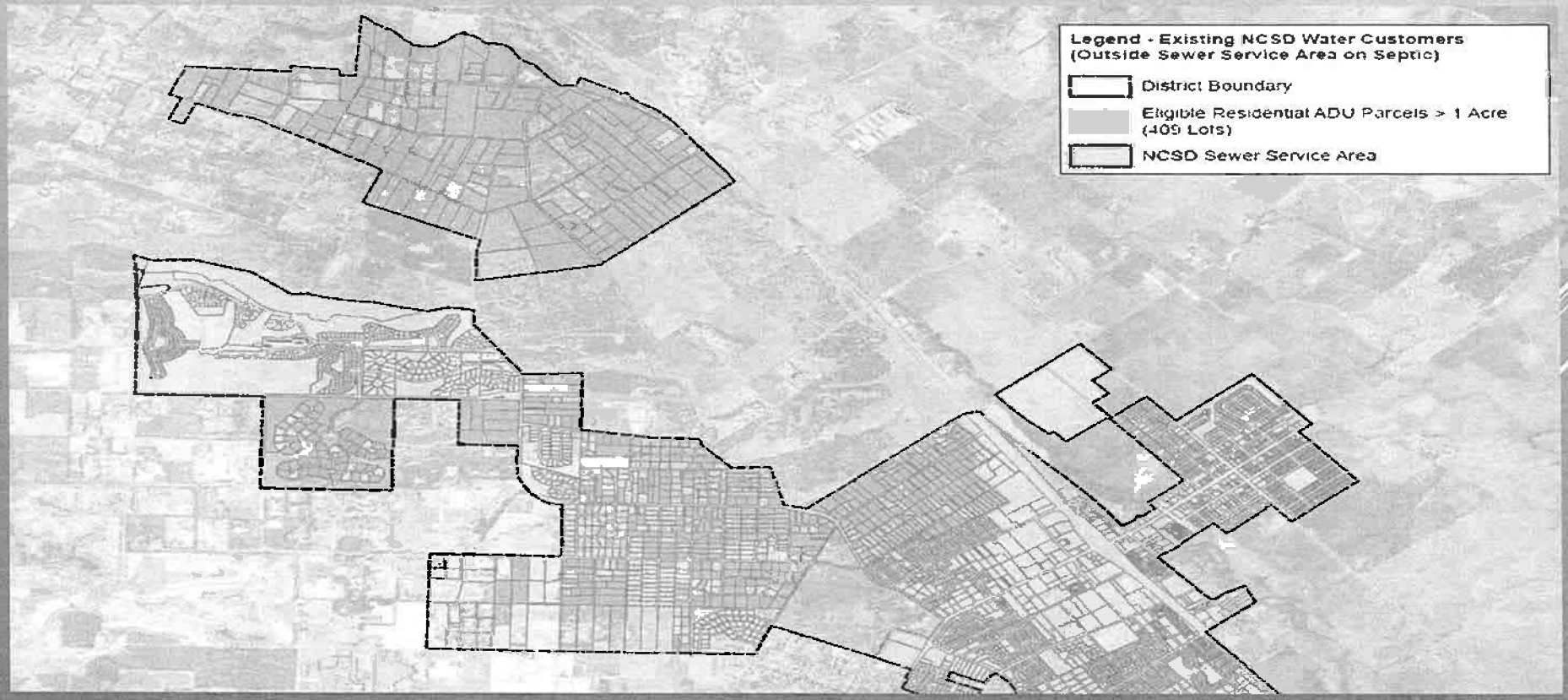
LOTS WITHIN: SUMMARY MAP



Lots in Sewer Area	Totals
Lots Connected to Sewer and Eligible to Add ADU	2,276
Lots Connected to Sewer and Ineligible to Add ADU	212
Lots Connected to Sewer and have an ADU	69
Lots Not Connected to Sewer and Eligible to Add ADU	168
Lots Not Connected to Sewer with an ADU	27
Vacant Land (Undeveloped) & Reserve Capacity	80
Total Potential ADU Lots	2,524
Minus Existing ADU Lots	96
Lots Eligible to Add ADU (Total - Existing)	2,428

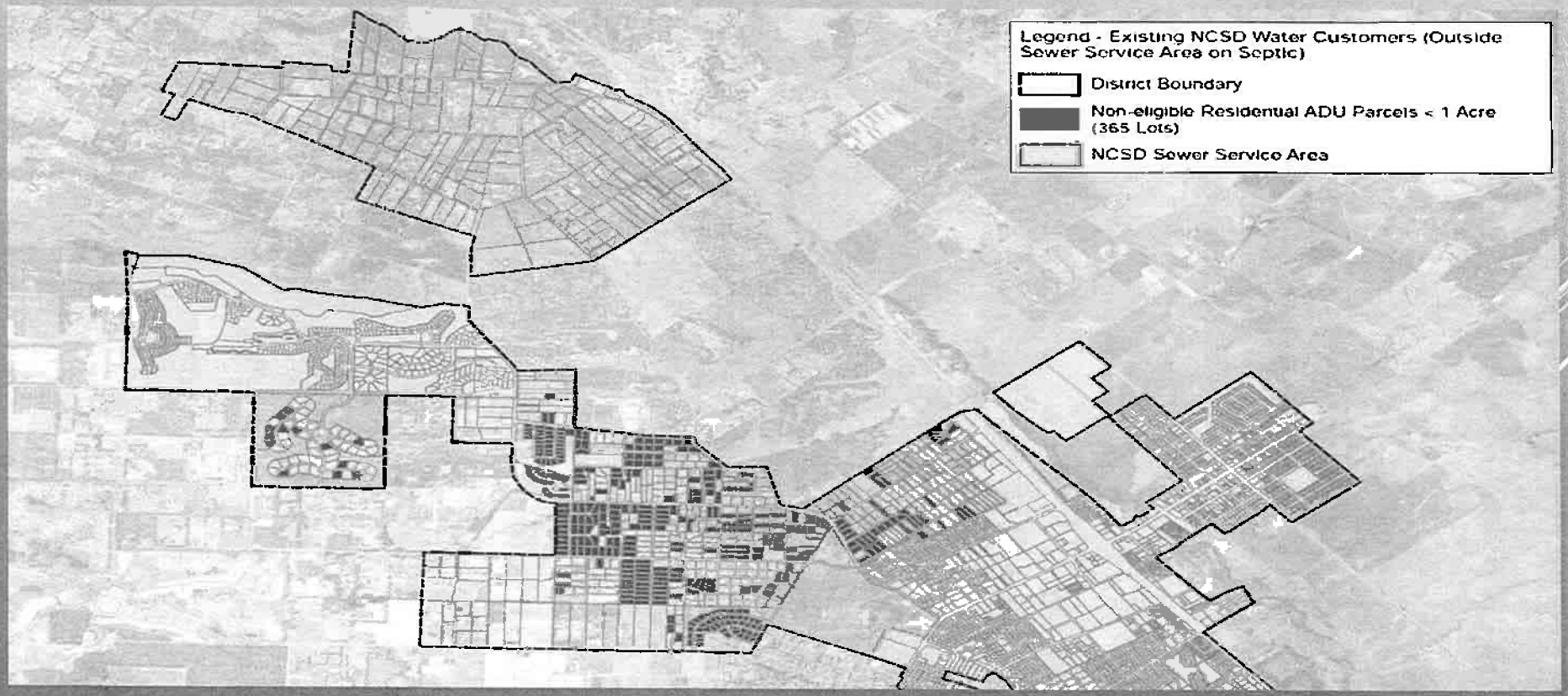
02-26-2020 E-2(B), pg. 25

LOTS OUTSIDE:
ELIGIBLE TO ADD AN ADU (LOT SIZE)



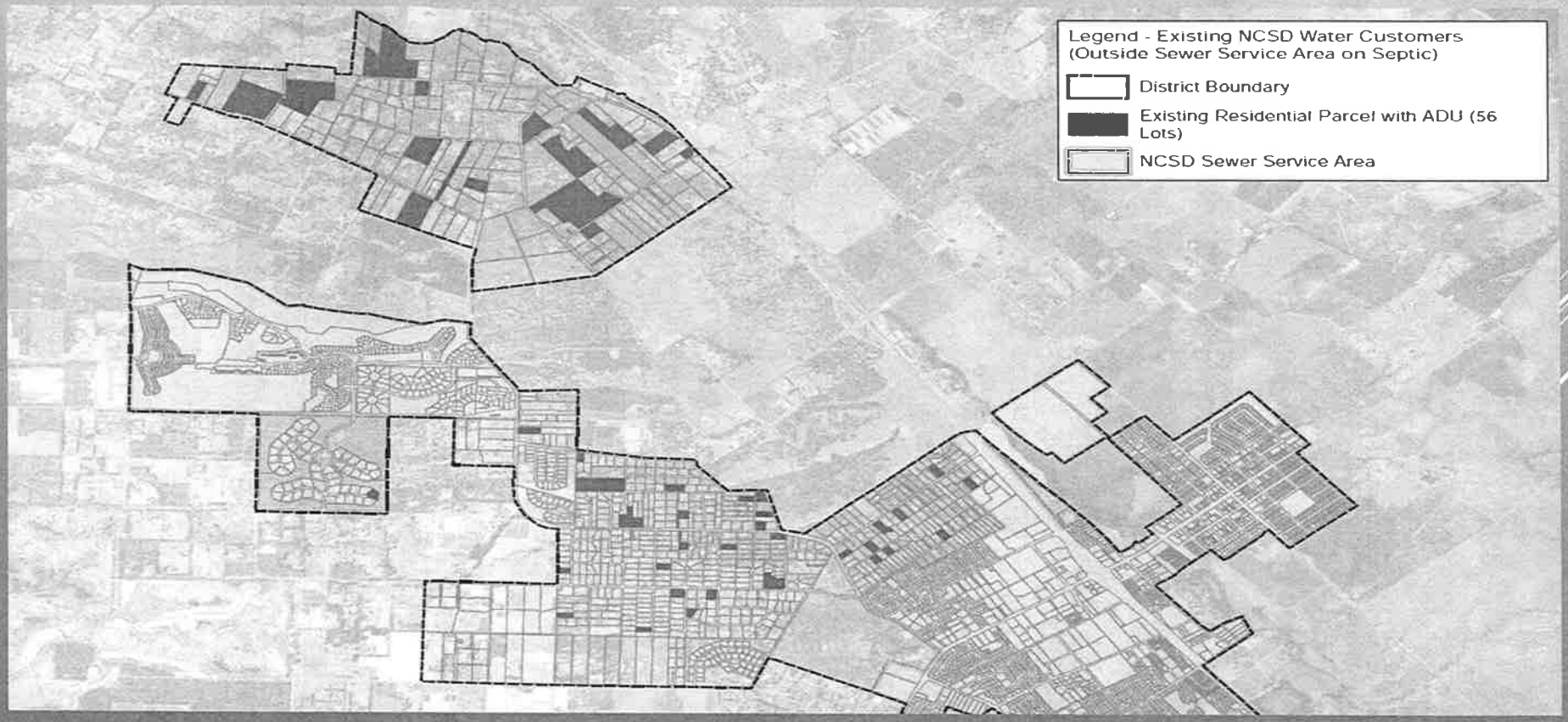
02-26-2020 E-2(B), pg. 26

LOTS OUTSIDE:
INELIGIBLE TO ADD AN ADU (< 1 ACRE LOT)



02-26-2020 E-2(B), pg. 27

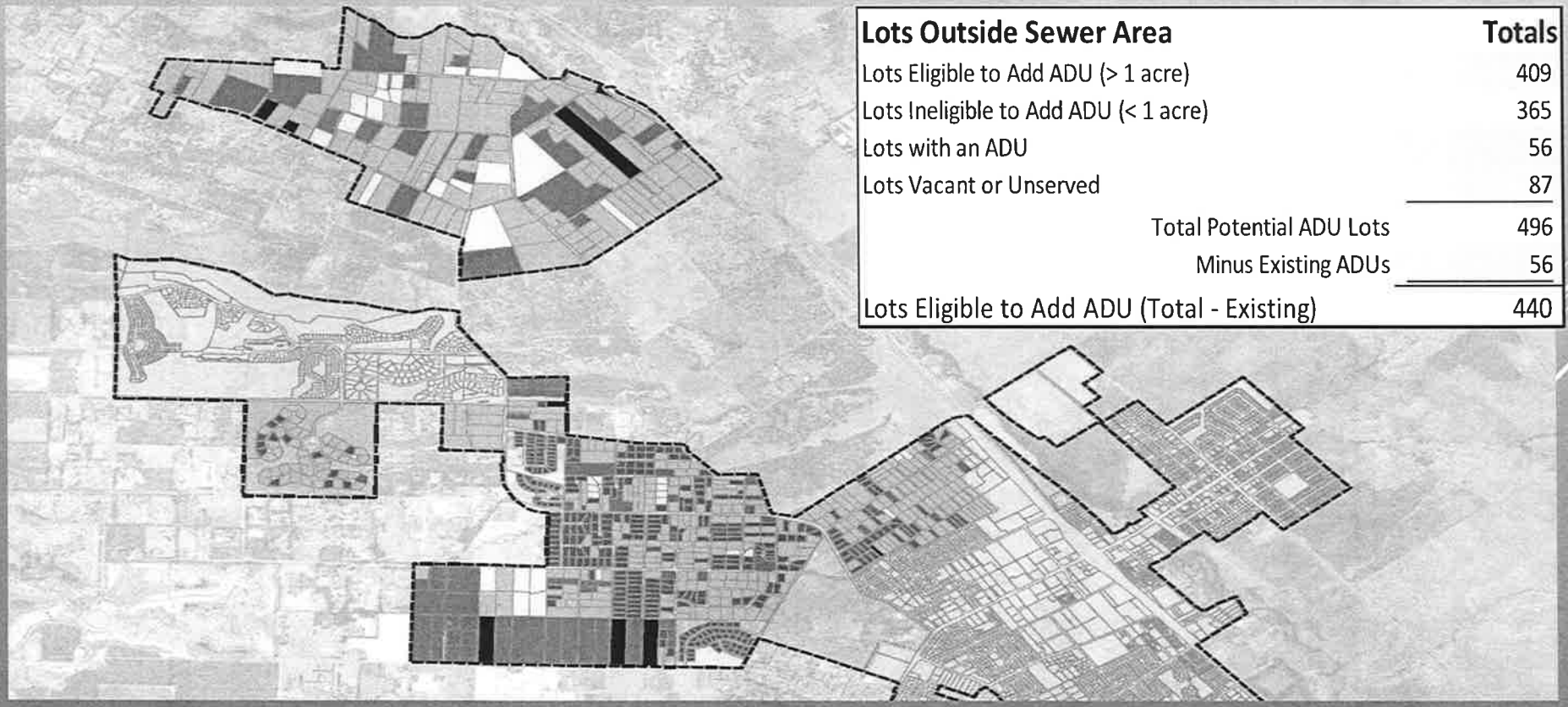
LOTS OUTSIDE: HAVE AN ADU



LOTS OUTSIDE:
VACANT OR UNSERVED LOTS

02-26-2020 E-2(B), pg. 29

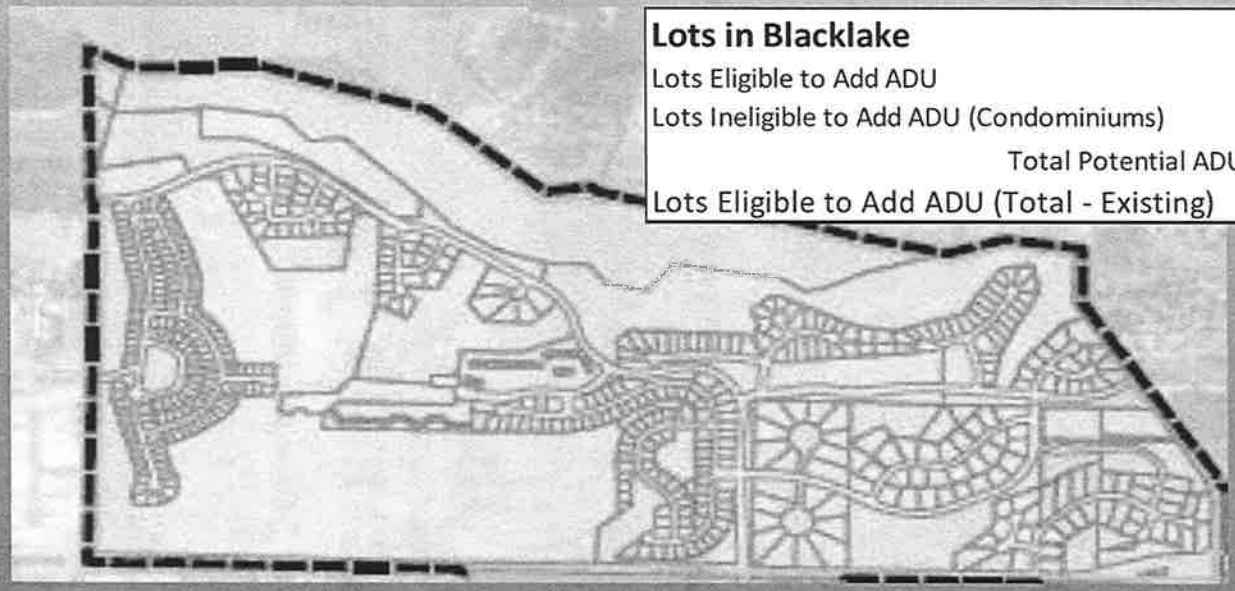
LOTS OUTSIDE SUMMARY MAP



Lots Outside Sewer Area	Totals
Lots Eligible to Add ADU (> 1 acre)	409
Lots Ineligible to Add ADU (< 1 acre)	365
Lots with an ADU	56
Lots Vacant or Unserved	87
Total Potential ADU Lots	496
Minus Existing ADUs	56
Lots Eligible to Add ADU (Total - Existing)	440

02-26-2020 E-2(B), pg. 30

LOTS IN BLACKLAKE



Lots in Blacklake	Totals
Lots Eligible to Add ADU	559
Lots Ineligible to Add ADU (Condominiums)	64
Total Potential ADU Lots	495
Lots Eligible to Add ADU (Total - Existing)	495

POTENTIAL IMPACT OF AMENDMENTS TO COUNTY ADU ORDINANCE

Lots Eligible to Add ADU	Totals
Lots Inside NCSD Sewer Service Area	2,428
Lots Outside NCSD Sewer Service Area	440
Lots in Blacklake	495
Total Eligible Lots	3,363

TABLE 1. DETERMINE ALLOCATION TO ADU

Existing ADU Summary								
Year	**Lot Size (SF/AC)**	1,750 to 6,000 sqft	6,000 to 10,890 sqft	1/4 to 1/2 acre	1/2 to 1 acre	1 to 5 acre	> 5 acre	Summary
	Acre	**0.04 to 0.14**	**0.15 to 0.25**	**0.26 to 0.5**	**0.6 to 1.0**	**1.1 to 5.0**	**> 5.1**	
2018	**# of Lots**	2	20	35	36	44	15	**152**
	Average water use (AFY)	0.25	0.37	0.41	0.55	0.73	0.67	
2017	**# of Lots**	2	20	35	36	44	14	**151**
	Average water use (AFY)	0.2	0.34	0.36	0.47	0.67	0.53	
Existing Water User Summary (Eligible Residential Lots Only without Existing ADU)								
2017	**# of Lots**	1199	1317	314	243	302	37	**3412**
	Average water use (AFY)	0.22	0.27	0.34	0.48	0.72	1.2	

DETERMINE ALLOCATION TO ADU

Estimating ADU Consumption			Gallons
Average Consumption Based on Table 1	0.11	AFY	35,844
Equivalent Consumtion Expressed in GPD	100	GPD	36,500
Equivalent Consumtion Expressed in Billing Units/Month	4	Units	35,904

02-26-2020 E-2(B), pg. 34

DETERMINE ALLOCATION TO ADU

Lots Eligible to Add ADU	Totals	0.11 AFY	0.05 AFY
Lots Inside NCSD Sewer Service Area	2,428	267	121
Lots Outside NCSD Sewer Service Area	440	48	22
Lots in Blacklake	495	54	25
Total Eligible Lots	3,363	369 AFY	168 AFY

02-26-2020 E-2(B), pg. 35

UNDEVELOPED LOTS IN SEWER AREA

County Zoning	Parcels	Acreage	Avg Parcel Size[1]	Potential Units[2]	Avg Parcel Use[3]	Total Water
CR/RMF	2	12	6	180	0.25	45
RMF	7	5	0.71	75	0.25	18.8
RR	8	59	7.38	12	0.56	6.6
RS	7	11	1.57	11	0.4	4.4
RSF	40	25	0.63	40	0.4	16
Totals:	**80**	**142**		**318**		**90.8 Acft**

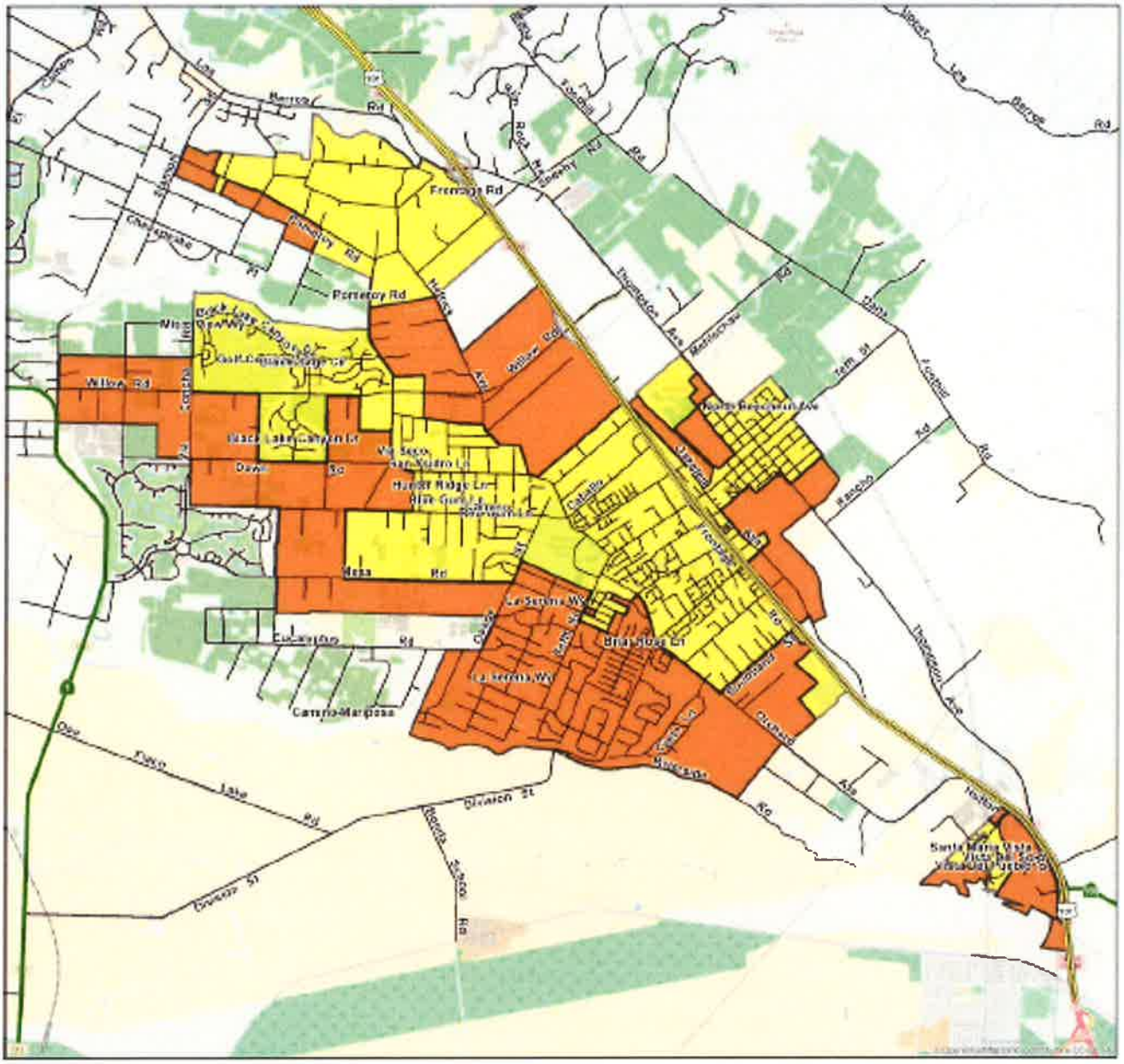
02-26-2020 E-2(B), pg. 36

FEBRUARY 26, 2020

ITEM E-2

ATTACHMENT C

Nipomo Community Services District
Service Area & Sphere of Influence
Adopted: July 2010



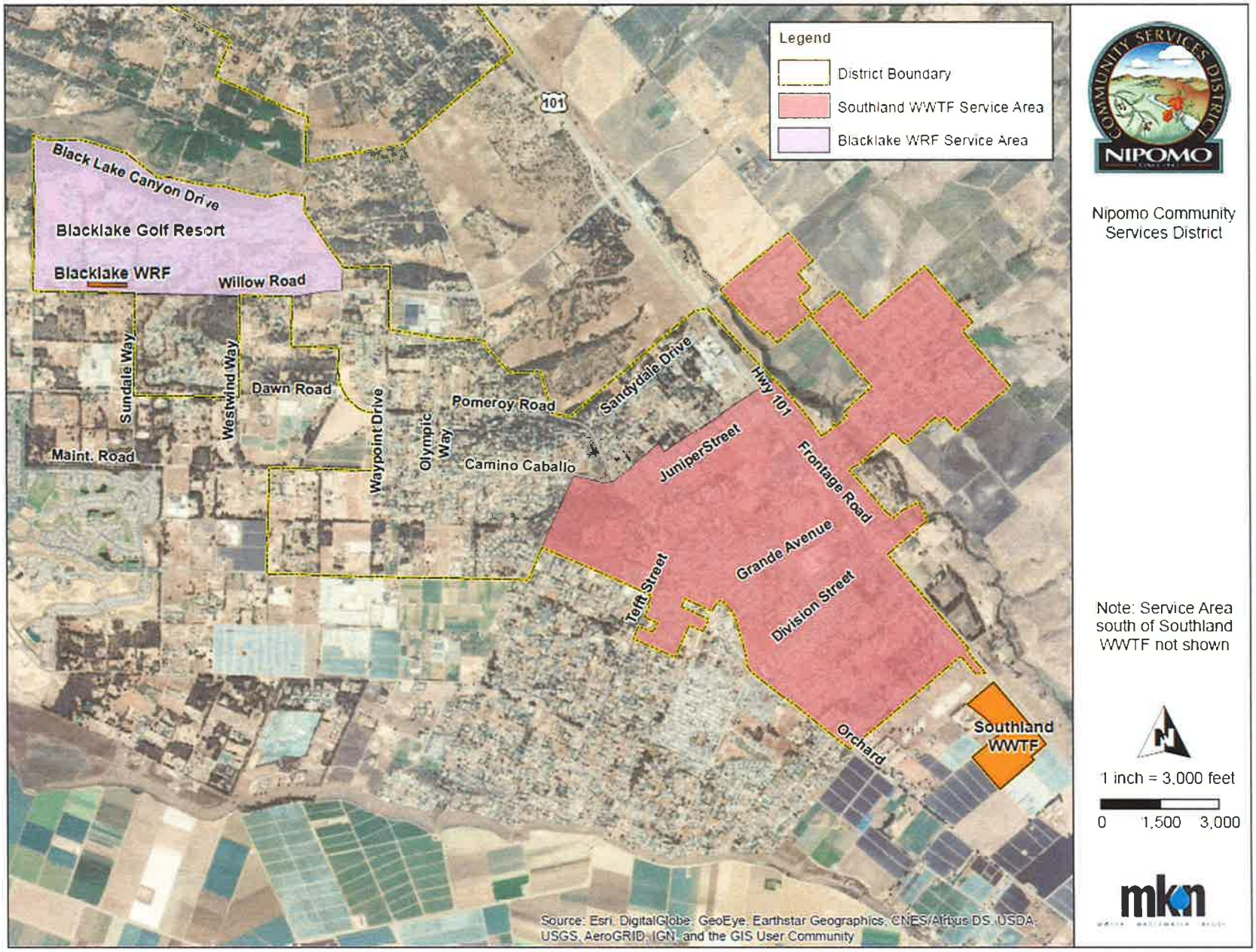
Legend

- Service Area
- Sphere of Influence

FEBRUARY 26, 2020

ITEM E-2

ATTACHMENT D

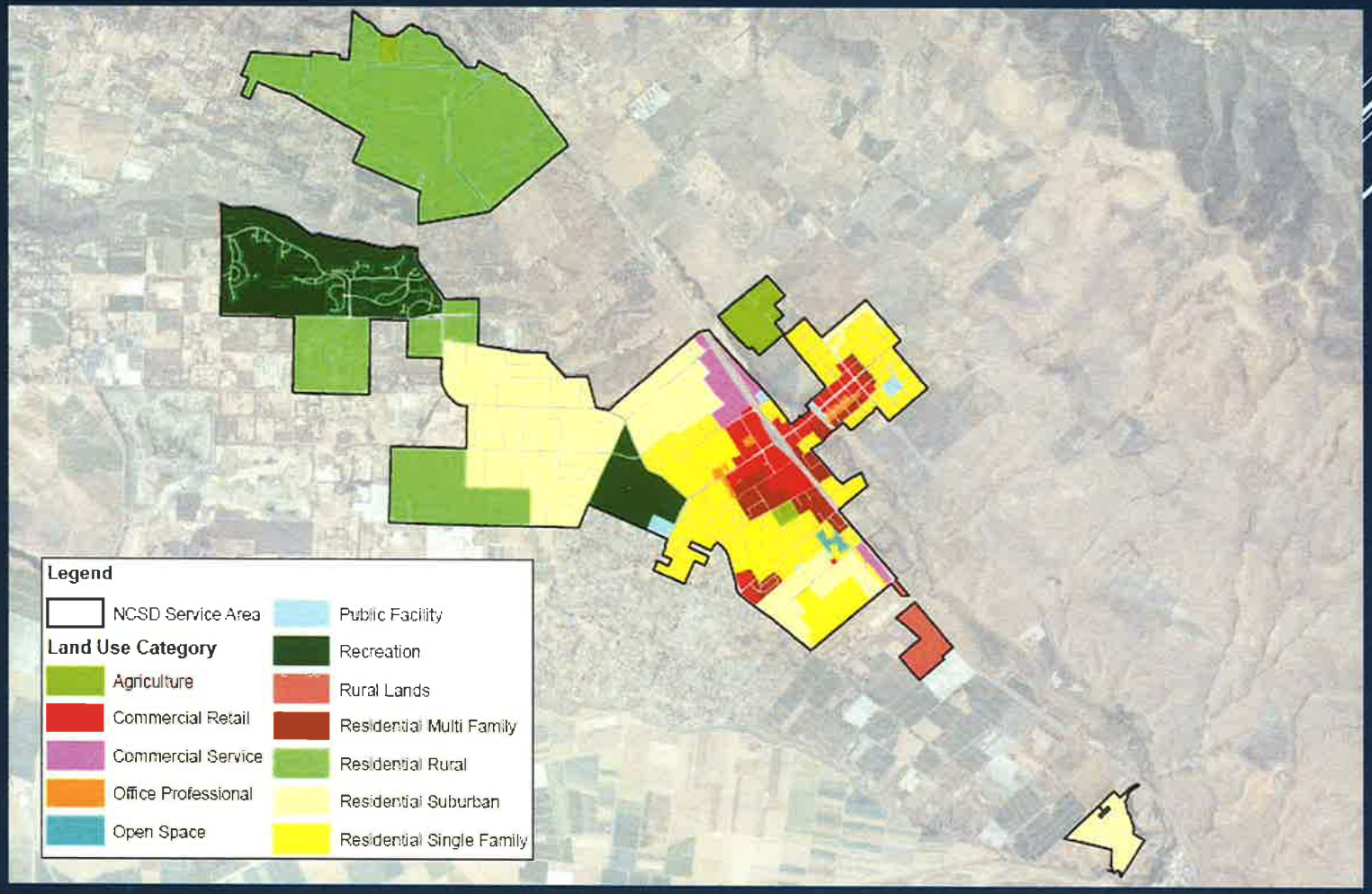

Legend
District Boundary
Southland WWTF Service Area
Blacklake WRF Service Area
101
Black Lake Canyon Drive
Blacklake Golf Resort
Blacklake WRF
Willow Road
Sundale Way
Westwind Way
Dawn Road
Maint. Road
Waypoint Drive
Olympic Way
Pomeroy Road
Camino Caballo
Sandydale Drive
Hwy 101
Juniper Street
Frontage Road
Grande Avenue
Division Street
Teft Street
Orchard
Southland WWTF
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community
COMMUNITY SERVICES DISTRICT
NIPOMO
Nipomo Community Services District
Note: Service Area south of Southland WWTF not shown
1 inch = 3,000 feet
0
1,500
3,000
mkn

FEBRUARY 26, 2020

ITEM E-2

ATTACHMENT E

LAND USE MAP


Legend
NCSD Service Area
Land Use Category
Agriculture
Commercial Retail
Commercial Service
Office Professional
Open Space
Public Facility
Recreation
Rural Lands
Residential Multi Family
Residential Rural
Residential Suburban
Residential Single Family