

ORDINANCE NO. XXX

AN ORDINANCE OF THE BOARD OF DIRECTORS OF SANTA CLARITA VALLEY WATER AGENCY TO PROVIDE FOR THE MANDATORY USE OF RECYCLED WATER WITHIN THE AGENCY'S SERVICE AREA

WHEREAS, the Santa Clarita Valley Water Agency (Agency) was created on January 1, 2018, by the Santa Clarita Valley Water Agency Act (SB 634, Chapter 833, 2017) and provides both potable and recycled water to customers within its service area; and

WHEREAS, as a water supply agency that is dependent on both imported water from the California State Water Project and local water from the Santa Clara River Watershed, the Agency must also develop additional sources of water for use by its rate payers, including recycled water; and

WHEREAS, Water Code sections 13550 states that the use of potable domestic water for nonpotable uses is a waste or an unreasonable use of the water within the meaning of Section 2 of Article X of the California Constitution if recycled water is available and any person may be required to use recycled water as long as it meets Title 22 water quality standards for the safe use of recycled water for the specific types of uses and is provided at a reasonable cost; and

WHEREAS, Water Code section 13551 et seq. states that no person shall use potable water for nonpotable purposes if suitable recycled water is available and certain conditions are met, and the use of such recycled water shall be a beneficial use of water that does not impact water rights; and

WHEREAS, Pursuant to Water Code 350 et seq. and 375 et seq. the Agency has the authority to manage its supplies to prevent waste and allocate water in a fair and nondiscriminatory manner during and in anticipation of periods of drought and to adopt and enforce ordinances, rules and regulations that implement the Agency's water conservation program; and

WHEREAS, the Agency's implementing legislation, Water Code Appendix section 145 et seq., gives the Agency the authority to exercise the powers that are expressly granted in the legislation or that are necessarily implied, including all powers necessary to provide, sell, manage, and deliver recycled water for municipal, industrial, domestic, and other purposes; and

WHEREAS, California law gives public water agencies such as the Agency full authority to manage their varied sources and supplies of water as they deem necessary to provide such water to the public in a fair and nondiscriminatory manner; and

WHEREAS, pursuant to the above cited laws, the Agency has the authority and obligation to adopt a recycled water ordinance that allows the Agency to provide recycled water to ratepayers and to mandate recycled water under certain circumstances; and

WHEREAS, the Agency also has offered certain incentives from time to time to encourage and assist voluntary conversions to recycled water in areas where it has been made available to existing customers; and

WHEREAS, to prevent waste of potable water and promote the efficient use of water for the benefit of the entire Valley, the Agency desires to adopt an Ordinance to mandate the use of recycled water under certain circumstances as authorized by law.

NOW, THEREFORE BE IT RESOLVED AS FOLLOWS:

1. TITLE, PURPOSE, AND INTENT

1.1 Title

This Ordinance shall be known as the "Recycled Water Mandatory Use Ordinance" ("Ordinance") of the Santa Clarita Valley Water Agency ("Agency").

1.2 Purpose

The purpose of this Ordinance is to prevent the waste of potable water, promote the conservation and reuse of water resources, and to ensure maximum public benefit from the use of the Agency's potable and recycled water supply in accordance with applicable federal, state, and local requirements.

1.3 Intent

The agency is committed to providing reliable and energy-efficient water services in a customer-oriented and environmentally responsible manner. As part of this commitment, the intent of this Ordinance is to mandate and encourage the use of recycled water within the agency for any and all purposes approved by state law wherever such use is economically justified, financially and technically feasible. Under all circumstances, such recycled water shall meet Title 22 water quality standards for the safe use of recycled water for the specific types of uses.

2. AUTHORITY AND ADMINISTRATION

The Water Code requires the use of recycled water when available

2.1 Determination of Recycled Water Use Area and Mandatory Use

The General Manager may determine that use of potable water in any portion of the Agency's service area for specified non-potable uses represents a waste and unreasonable use of water and shall be replaced with recycled water where such recycled water is available for such uses. Pursuant to this authority, the Agency is authorized to mandate the use of recycled water for existing customers, including any necessary modifications, as determined by the Agency, to existing on-site water facilities, and for new developments, and including the construction of any necessary recycled water systems. Consistent with the Water Code, recycled water will meet Title 22 water quality standards for the safe use of recycled water for the specific types of uses and will be made available at a reasonable cost.

2.2 Existing Potable Water Services

2.2.1 Mandatory Conversion

In instances where the General Manager determines that existing potable water use shall be replaced with recycled water use, the Agency will provide the current owner with a Notice of Determination to use recycled water ("NOD"), explaining what is required to facilitate

recycled water use, as well as the conditions and schedule for the mandated conversion, including the price of the recycled water and a description of the on-site retrofit requirements. Customers receiving an NOD may appeal / request a waiver as described below in Section 2.4.

2.2.2 Customer Request for Recycled Water Service

If a current customer who is not required to convert to recycled water pursuant to this Ordinance would like to receive recycled water, the customer must submit an application for recycled water to the Agency for review, along with any required application fee. The application shall contain such information as required by the Agency and shall include information about the conditions that must be complied with, including but not limited to, the Agency's Recycled Water Rules and Regulations governing the use of recycled water. The Agency will review the application for completeness and contact the customer regarding the potential provision of service. The Agency retains absolute discretion, based on the circumstances of each application to approve an application or not.

Upon determination that a property can be served with recycled water, and approval of an application, the owner of the property will be required to enter into a Recycled Water Use Agreement as a condition of service, which will include the requirements of service. If after an application is approved and a Recycled Water Use Agreement is executed any of the conditions of service are not satisfied, the Recycled Water User Agreement may be revoked by the General Manager, and recycled water service may be terminated.

2.3 Recycled Water Service for New Development and Alterations / Remodels

Upon submittal of a request for water service by an applicant in connection with an entitlement process, plot plan, or other proposed land development/land use, the General Manager shall make preliminary determinations if recycled water service can be provided to the area in question. Based upon such determinations, use of recycled water and construction of recycled water distribution systems, including any offsite facilities or other facilities for the use of recycled water, may be mandated as a condition(s) of approval of any application, in addition to any other conditions of the new industrial, commercial, or residential development or applications for alterations/remodels. The Agency retains complete discretion to determine whether recycled water service shall be mandated or not.

2.4 Appeal /Waivers and Hearing

A customer who wishes to appeal / or request a waiver of a decision by the Agency to require conversion to recycled water must submit a written appeal on a form provided by the Agency no later than thirty (30) days of the date of the NOD. The General Manager or their designee shall consider all appeals / requests for waivers within fifteen (15) days of such request and provide a decision to such customer within fifteen (15) days after such appeal is considered. The decision of the General Manager or their designee shall be final. The General Manager or their designee may consider in their decision, among other things, whether due to unique circumstances this Ordinance would result in undue or disproportionate hardship to a customer that is disproportionate to the impacts to customers generally.

2.5 Applications for Service

For customers who submit an application(s) for recycled water service, the Agency retains absolute discretion, based on the circumstances of each application, to approve an application or not and any decision by the Agency may not be appealed.

2.6 Violations and Enforcement - Termination of Service

The Agency is authorized to discontinue service upon written notice if a customer fails to comply with any of the requirements of this Ordinance, including any of the conditions for service that may be imposed.

2.7 Rates, Fees, Charges, and Deposits.

All rate, fees, charges, and deposits regarding recycled water service, including administrative costs, shall be established by the Board of Directors. The water rates and associated fees shall be in accordance with the applicable Rate Resolution then in effect, as it may be established from time to time.

3. SEVERABILITY

If any section, subsection, sentence, clause, or phrase of this Ordinance regulating the use of recycled water is for any reason found to be invalid or unconstitutional, such decision shall not affect the remaining portions of this Ordinance. The Board of Directors declares that it would have approved this Ordinance by section, subsection, sentence, clause, or phrase irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

4. ADOPTION

This Ordinance shall become effective immediately upon its adoption by the Board of Directors.

ADOPTED this ____ day of _____ 2024.

President of the Board of Directors

ATTEST:

Secretary of the Board of Directors