

**Ordinance #72
of the
Aromas Water District
Setting Forth Rules, Regulations and Charges for Water Service**

Whereas, the Aromas Water District, hereinafter District, is a County Water District formed pursuant to Sections 30,000 et. seq. of the California Water Code, and

Whereas, the District is authorized pursuant to California Water Code Section 31007 to collect rates and charges in an amount sufficient to do the following:

- (a) Pay the operating expenses of the district.
- (b) Provide for repairs and depreciation of works owned or operated by the district.
- (c) Pay the interest on any bonded debt.
- (d) So far as possible, provide a fund for the payment of the principal of the bonded debt as it becomes due.

Whereas, the District Board of Directors, at least annually, causes to have performed an analysis of the financial needs of the district and a determination of the adjustments, if any, required to the rates and charges of the district; and

Whereas, the District Board of Directors, following a notice public hearing and compliance with any requirements of law including rights of protest under California Constitution Article XIIIID, shall adopt rates and charges necessary to carry out its obligations under California Water Code Section 31007 as described above, shall adopt by resolution any changes to the water rates and charges that are appropriate.

NOW THEREFORE, BE IT ORDAINED:

The Board of Directors of the Aromas Water District find that the following rules, regulations and rates shall be applicable to all water delivered by the district and that said rules, regulations and rates may be amended by resolution of the board of directors after duly and legally noticed public hearings:

Definitions:

Active Account. The term "active account" means an Aromas Water District water service account that has paid the applicable monthly meter charge as

defined in Exhibit A of this ordinance. A customer with an active account may use water at their discretion, limited by the District only in as much as those limitations apply equally amongst all active accounts; those limitations imposed on customers necessary to maintain health and safety standards within the District's production and distribution system. Any water service account that has not paid an active or inactive account monthly meter charge for a continuous six (6) month period shall be deemed a discontinued account.

Inactive Accounts. The term "inactive account" means an Aromas Water District water service account that has paid an inactive monthly base rate fee equal to 50% of the active base rate fee for the service size as defined in Exhibit A of this ordinance. A customer with an inactive account may not use water at their discretion until they notify the District. At that time the District will change the account status from inactive to active, unlock the service, and bill the customer accordingly. The inactive service fee guarantees capacity for the service. Any water service account that has not paid an inactive account monthly service fee for a continuous six (6) month period shall be deemed a discontinued account.

Discontinued Account. The term "discontinued account" means an Aromas Water District water service account that is not an active or an inactive account as defined in this ordinance. Water service for a discontinued account may be reconnected only following an evaluation of the system infrastructure to measure the impact of activating the account. The General Manager shall complete this evaluation with assistance of the District Engineer and General Counsel, if required. The account is subject to any costs associated with this evaluation. Reconnection shall be allowed only where the reconnection can be made without adverse impact to the water system or its supplies. If reconnection is approved, a "discontinued account" shall be required to pay all past due charges and the current Capacity Charge. Exceptions to this requirement shall only be made upon good cause by order of the Board of Directors

Base Rate Fee. A "base rate" is a fee or charge that meets a portion of the estimated fixed cost to provide service to any existing meter, including but not limited to inspection, maintenance, accounting, meter reading and billing services for that water connection and for the provision of fire suppression capacity to that connection location. A base rate fee is based primarily on the number and size of meters installed. The Base Rate Fees are set forth on Exhibit A.

Water Use Charge. A "water use charge" is a fee imposed to pay for water actually used by the property in question. A water use charge is a commodity charge based primarily on the amount consumed and includes any tiered rates adopted by

the district for conservation purposes or to reflect actual additional costs to serve specific areas of the district. Water Use Charges are set forth on Exhibit B.

Pajaro Valley Water Management Agency (PVWMA) Surcharge. The term "Pajaro Valley Water Management Agency surcharge" refers to a fee or charge imposed as a separate line item and additional charge to pay, pro-rata, for fees imposed by the Pajaro Valley Water Management Agency as they relate to each water service. The PVWMA fee is set forth on Exhibit B.

Bulk Service. The term "bulk service" shall mean water supplies obtained from an Aromas Water District-designated bulk water station, or through a hydrant meter. All other service shall be deemed a "point of service" customer where water is delivered through a permanent and stationary meter. No "point of service" delivery shall be deemed a "bulk service" unless approved as an exception to this provision by the board of directors. The rates for Bulk Service are set forth on Exhibit D.

Capacity Charge. A "capacity charge" means a charge to pay for a pro-rata "buy-in" for facilities in existence at the time a charge is imposed. The capacity charge shall be based upon the meter size of the new connection. Any additional expense incurred directly as a result of a new customer connecting to the district (e.g., main extensions, booster systems, etc.) shall be borne in addition to the capacity charge. The rates for Capacity Charges are set forth on Exhibit E.

Water Installation Fee. The term "water installation fee" refers to a charge to reimburse the District for all actual and necessary costs incurred, in the sole discretion of the District, in order to install a specific connection, including but not limited to labor and material expenses required to acquire and install pipes, mains, pumps and storage facilities and rights of way intended to serve that connection or set of new connections. The "water installation fee" shall further include administrative, legal, and contractor and sub-contractor oversight costs, and any other costs that may be associated with new service. The water installation fee is set forth on Exhibit F.

I. Water Meter Installation Requirement.

A. Separate Water Connections - New Construction. Each structure capable of use as a residential dwelling or as a place of business which is newly constructed, or which is remodeled to expand the usable square footage of interior space shall require a new and separate water connection from the Aromas Water District and shall be charged a separate monthly water base fee and separate tiered rate for each unit that is habitable and has five (5) or more plumbing (fixture) units as such are defined and quantified by the Uniform Plumbing Code. Exceptions to this requirement shall only be made upon

good cause by order of the Board of Directors. This requirement shall include, but shall not be limited to parcels that already receive metered water service from the Aromas Water District.

B. Separate Water Connections - Existing Structures. Each structure capable of use as a residential dwelling or as a place of business may require a separate connection and separate meter from the Aromas Water District and shall be charged a separate monthly water base fee. If multiple units are served through the existing meter, one base rate for each unit will be charged, for each unit that is habitable and has five (5) or more plumbing (fixture) units as such are defined and quantified by the Uniform Plumbing Code. If water is sold through the existing meter and a new meter is not purchased for the multiple units, the commodity charge will be the same water usage tiers as defined in Exhibit B. Exceptions to this requirement shall only be made upon good cause by order of the Board of Directors upon a finding that water use at a specific connection is minimal. To meet this exception to the separate meter requirement, the water user shall prove to the satisfaction of the board that either (1) the second water use exclusively serves a non-habitable structure, or (2) the second water use exclusively serves a structure that has five (5) or fewer plumbing (fixture) units as such units are defined and quantified by the Uniform Plumbing Code. This requirement shall include, but shall not be limited to, parcels which already receive metered water service from the Aromas Water District.

C. Water Service Installation Charge - General Provision. Payment of all fees as set forth in this ordinance shall be required as a condition precedent to providing water service to any new construction or remodeled structure that is capable of use as a separate residential dwelling or as a separate place of business. Payment of a water service installation charge shall also be required as a condition precedent to continued water service for existing structures that convert to multiple meters.

II. Will Serve Letters

A. Upon request, the General Manager may issue a Will Serve letter indicating that a discrete quantity of water shall be provided by the Aromas Water District distribution system by service to benefit a specific site subject to availability and the then rules, regulations, and fees applicable at the time of service. A capacity assurance charge in the sum of two thousand dollars (\$2000.00) per meter requested shall be required in advance of the issuance of any Will Serve Letter. The capacity assurance charge shall be applied to future Water Connection and/or Water Installation Fees for each meter for that site once the applicant meets the condition of service as defined in this ordinance. In the event that water is not available to provide service when requested, the capacity assurance charge shall be refunded; in all other cases, the charge shall be non-refundable.

If the applicant is unable to meet the conditions of service because of circumstances beyond their control, the applicant may appeal to the District's Board of Directors for refund of the capacity assurance charge less the investigative costs.

B. Prior to issuing any Will Serve letter, the General Manager shall cause a preliminary investigation evaluating system capacity and the impact the new water service would have on all facilities of the Aromas Water District. The party requesting the Will Serve letter shall pay all costs associated with this investigation, including but not limited to engineering, permitting, legal and administrative costs.

C. Each Will Serve letter shall have a sunset date, after which it shall be null and void. In no event shall a Will Serve letter issued after the effective date of Ordinance #67 adopted on 11/21/2001, have any force or effect more than twenty-four (24) months after that letter was issued.

III. Fire Protection Service

The Board of Directors recognizes the public service benefit of providing water fire protection facilities in commercial and publicly owned buildings. Accordingly, the Board adopts the following rules, regulations and fees with respect to such fire protection services:

A. The fire protection service for a commercial building or public entity must be installed by the District or by a contractor approved by the District subject to the District's supervision, direction, inspection and control. All costs of the installation, inspection and supervision shall be borne by the applicant.

B. All facilities on the applicant's premises necessary for the fire protection service (including, but not limited to vaults, meters, detectors, check valves, backflow prevention devices, etc.), whether the property of the applicant or the district shall be maintained at the applicant's sole expense.

C. The district shall have a right of ingress and egress on the premises in which the facilities are installed for all purposes.

D. The district does not guarantee quantity of water or water pressure for the fire system in any amount.

E. The service is provided for fire protection only and any other use of the service shall be a theft of water from the district. The district reserves the right to inspect the

facility at any reasonable time and to require that a detector check valve with a meter be installed at the customer's expense if the district has any reasonable belief that other uses are being made.

F. Residential homes utilizing fire sprinkler services shall service those systems through a domestic meter sized to accommodate the fire sprinkler system in accordance with the sprinkler manufacturer's specification. The charge will be commensurate with rates for similarly sized meters and no additional monthly charge will be imposed.

G. The fee for each such fire protection service provided to a commercial or public facility is set forth on Exhibit C.

IV. Landlord Obligation for Tenant Bills

California Water Code Section 31007.5 provides that no district furnishing water for residential use to a tenant shall seek to recover any charges or penalties for the furnishing of water to or for the tenant's residential use from any subsequent tenant on account of nonpayment of charges by a previous tenant. The district may, however, require that service to subsequent tenants be furnished on the account only of the landlord or property owner. Accordingly, it is the policy of the district that when a tenant fails to pay for water service resulting in termination of service, any new connection to that address shall be in the name of the owner of the property, only, unless the owner chooses to pay the past due charges, in which event, the new tenant may apply for service.

V. Overriding Provisions

The provisions of this ordinance, to the extent inconsistent with previous ordinances of the district shall prevail.

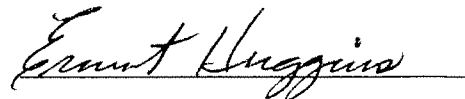
Passed and adopted this 25th day of September 2007

Ayes: Huggins, Cardott, Dutra & Duggs

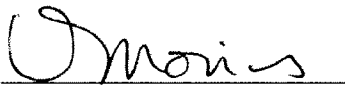
Noes: none

Abstentions: none

Absent: Mesiroff



President



Board Secretary

Exhibits to Ordinance #72
Setting Forth Rules, Regulation and Charges for Water Service

EXHIBIT A: Base Rate Fees, \$/month	Fiscal Year				
	FY20	FY21	FY22	FY23	FY24
Fee Category					
EFFECTIVE DATES	10/1/19	7/1/20	7/1/21	7/1/22	7/1/23
Meter Size					
5/8 x 3/4-inch	\$40.60	\$43.00	\$45.30	\$47.60	\$50.00
1-inch	\$96.00	\$101.00	\$107.00	\$112.00	\$118.00
1½-inch	\$188.00	\$198.00	\$209.00	\$220.00	\$231.00
2-inch	\$298.00	\$315.00	\$332.00	\$349.00	\$366.00
3-inch	\$647.00	\$684.00	\$721.00	\$758.00	\$795.00
4-inch	\$1,106.00	\$1,170.00	\$1,233.00	\$1,297.00	\$1,360.00
6-inch	\$2,300.00	\$2,430.00	\$2,560.00	\$2,700.00	\$2,830.00

EXHIBIT B: Water Use Rates, \$/CCF					
PVWMA *	\$0.57	TBD	TBD	TBD	TBD
Commercial/Institutional/ Landscape	\$6.06	\$6.57	\$7.09	\$7.64	\$8.22
Single/Multi Family					
Tier 1	\$3.97	\$4.30	\$4.64	\$5.00	\$5.37
Tier 2	\$6.70	\$7.26	\$7.84	\$8.44	\$9.06
Tier 3	\$9.10	\$9.86	\$10.64	\$11.46	\$12.31
Tier Ranges, CCF					
Tier 1	0 - 6	0 - 6	0 - 6	0 - 6	0 - 6
Tier 2	7 - 20	7 - 20	7 - 20	7 - 20	7 - 20
Tier 3	>20	>20	>20	>20	>20

EXHIBIT C: Fire Protection Services Fee

No Fire Protection Fees to be applied

EXHIBIT D: Bulk Service					
Base Fee, \$/month	\$96.00	\$101.00	\$107.00	\$112.00	\$118.00
Water Use Rats, \$/CCF	\$6.06	\$6.57	\$7.09	\$7.64	\$8.22

* Each account will be assessed the pro-rata portion of the actual fees imposed upon the Aromas Water District by the Pajaro Valley Water Management Agency (PVWMA) for well augmentation fees. Fees beyond FY20 will be determined by a vote of the Board of Directors of PVWMA.

EXHIBIT E: Water Capacity Charges **	Effective 10/1/19
Meter Size	
5/8 x 3/4-inch	\$13,940.00
1-inch	\$34,850.00
1½-inch	\$69,690.00
2-inch	\$111,500.00
3-inch	\$243,900.00
4-inch	\$418,100.00
6-inch	\$871,100.00

** Water Capacity Charges shall be modified each July 1st - or on the date set by Board of Directors - by an amount less than or equal to the percentage change in the ENR 20-City Construction Cost Index as published by *Engineering News-Record* from the preceding one-year period.

EXHIBIT F: Water Installation Fee

For each Installation of a Water Meter a deposit of \$2,000.00 per meter is required. The deposit will be applied towards all actual and necessary costs of installation of the meter. The customer requesting installation will be billed for costs that exceed the advanced deposit.