

ZONE 7  
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO. 22-93

INTRODUCED BY DIRECTOR PALMER  
SECONDED BY DIRECTOR FIGUERS

**SCENARIO 4B – 5.5%**

**Adoption of the Treated Water Service Rates for  
Calendar Years 2023, 2024, 2025, and 2026**

WHEREAS the Agency engaged an independent water rate consultant, Raftelis, to prepare a Treated Water Rates Study to identify the cost of providing wholesale treated water service and to recommend treated water rates for Calendar Years (CY) 2023, 2024, 2025, and 2026.

WHEREAS the study recommends increasing fixed charge revenue recovery from 42.5% in CY 2022 to 45% by CY 2023.

WHEREAS, in FY 2022-23, additional funding of \$2,900,000 for the Stoneridge Well PFAS Facility project is required.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District to adopt the following treated water rate schedules for Calendar Years 2023, 2024, 2025, and 2026.

FIRST, a volume-based water delivery charge, per the table below for all metered water delivered to each customer per month per 100 cubic feet (CCF) for CY 2023, CY 2024, CY 2025, and CY 2026.

<b>Calendar Year</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>Volume-based Rate per CCF</b>	\$2.27	\$2.34	\$2.44	\$2.47

SECOND, increasing fixed charge revenue recovery from 42.5% in CY 2022 to 45% by CY 2023.

<b>Calendar Year</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>Fixed Revenue Recovery</b>	45%	45%	45%	45%

THIRD, a fixed charge of \$27,131,280 for Retailers and \$264,160 for Direct Customers for CY 2023 per the tables below. Actual Fixed Charge monthly billing will be 1/12 of the annual amount.

<b>Fixed Charge per Retailer</b>	<b>CY 2023</b>
City of Pleasanton	\$9,107,878
Dublin San Ramon Services District	\$8,444,518
California Water Service Company	\$4,771,322
City of Livermore	\$4,807,562
<b>Total Retailer Fixed Charge</b>	<b>\$27,131,280</b>

<b>Fixed Charge per Direct Customer</b>	<b>CY 2023</b>
Lawrence Livermore Lab	\$142,620
L.A.R.P.D.	\$2,147
Veterans Hospital	\$84,349
Wente Brothers	\$23,050
State of California DWR	\$-
East Bay Regional Park District	\$11,994
<b>Total Direct Customer Fixed Charge</b>	<b>\$264,160</b>

FOURTH, fixed charges per the table below for CY 2024, CY 2025, and CY 2026. The Total Fixed Charges for these years shall not be changed without Board approval, however the actual allocation among Retailers and Direct Customers may change based on updated two-year rolling average of proportional use. Actual Fixed Charge monthly billing will be 1/12 of the annual amount.

<b>Calendar Year</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Total Retailer Fixed Charges	\$29,438,577	\$31,512,875	\$32,966,450
Total Direct Customer Fixed Charge	\$265,030	\$293,014	\$320,396
<b>Total Fixed Charges</b>	<b>\$29,703,607</b>	<b>\$31,805,889</b>	<b>\$33,286,846</b>

FIFTH, authorize the General Manager to the reallocate the CY 2024, CY 2025 and CY 2026 Fixed Charge per Retailer and Direct Customer based on updated two-year rolling average of proportional use, to be determined at the end of FY 2022-23 for the CY 2024 charges, FY 2023-24 for the CY 2025 charges and FY 2024-25 for the CY 2026 charges.

SIXTH, authorize the following additional capital funding transfer from Fund 100 – Water Enterprise Operations to Fund 120 – Water Enterprise Renewal/Replacement & System-Wide Improvements.

<b>Fiscal Year</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2023-24</b>	<b>2025-26</b>
Amount	\$725,000	\$725,000	\$725,000	\$725,000

BE IT FURTHER RESOLVED by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District that the following rate schedule for Recharge, Temporary Treated Water and In-Lieu services be adopted:

FIRST, for Recharge services a recharge fee per the table below for CY 2023, CY 2024, CY 2025, and CY 2026, which is the unit cost of replenishment water to achieve full cost of recovery when it is necessary to replenish the main groundwater basin when water is pumped in excess of a retailers Groundwater Pumping Quota or Independent Quota.

<b>Calendar Year</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Recharge Fee per AF	\$1,702	\$1,638	\$1,654	\$1,714

SECOND, the Temporary Treated Water service rate is equivalent to the treated water volume-based charge plus the weighted fixed charge. The rates for CY 2023, CY 2024, CY 2025, and CY 2026 are per the table below:

<b>Calendar Year</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Temporary Treated Water per AF	\$1,799	\$1,856	\$1,934	\$1,956

THIRD, for Temporary Treated Water service an initial service establishment charge \$182 per turnout for CY 2023, \$188 for CY 2024, \$193 for CY 2025 and \$199 for CY 2026 for each new direct connection to the Zone system; and a monthly meter service charge of \$21.00 per turnout for CY 2023, CY 2024, CY 2025, and CY 2026; and

FOURTH, for In-Lieu water services, a water rate of \$120 per AF for CY 2023, CY 2024, CY 2025 and CY 2026, and authorize the General Manager to offer to any treated water contractor who takes delivery of treated water from Zone 7 in lieu of pumping groundwater per their Groundwater Pumping Quota should appropriate circumstances be identified; and Zone 7 may offer this rate to its treated water contractors who have a Groundwater Pumping Quota (GPQ) (including well pumping capacity) if sufficient surface water is available and if it is deemed financially and operationally prudent; and, In-Lieu quantities will be limited to each contractor's GPQ plus any accumulated carry-over.

BE IT FURTHER RESOLVED that said water rate schedules for all treated water service as adopted herein shall be effective on February 1, 2023, and shall end on the next effective date for such water rates as adopted by the Board. Rates for CY 2024 – 2026 will take effect on January 1 of that year.

BE IT FURTHER RESOLVED that the Board shall revisit the rate schedule for calendar years 2025 and 2026, through a public process, with any changed rates adopted by November 2024.

BE IT FURTHER RESOLVED that the General Manager of Zone 7 of the Alameda County Flood Control and Water Conservation District is hereby authorized to continue to enter into, renew, modify, and otherwise administer all Temporary Treated Water service agreements in

accordance with said rate schedules adopted herein and as may be modified from time to time.

ADOPTED BY THE FOLLOWING VOTE:

AYES: DIRECTORS BENSON, FIGUERS, GAMBS, PALMER, RAMIREZ HOLMES

NOES: DIRECTORS GREEN, SANWONG

ABSENT: NONE

ABSTAIN: NONE

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on November 16, 2022.

DocuSigned by:

By:  \_\_\_\_\_  
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President, Board of Directors