APPENDIX I

RESOLUTION NO. 14-04

A RESOLUTION OF THE BOARD OF PUBLIC UTILITIES COMMISSIONERS OF THE CITY OF TULARE ESTABLISHING A DROUGHT SURCHARGE EFFECTIVE OCTOBER 1, 2014

BE IT RESOLVED BY THE BOARD OF PUBLIC UTILITIES COMMISSIONERS OF THE CITY OF TULARE AS FOLLOWS, TO WIT:

SECTION 1. On January 14, 2014 the State of California issued a Drought Emergency Declaration. On May 15, 2014, the Board of Public Utilities adopted a Water Conservation Ordinance. The City of Tulare has experienced declines in the water table used to provide City water for residents. This decline has increased the cost to pump the water. Additionally, the adopted water conservation ordinance makes it necessary to educate the residents about water conservation requirements and enforce the irrigation rules.

SECTION 2. SURCHARGE RATES.

In addition to the existing water rates, an additional Drought Surcharge of the following will be assessed each customer:

(a) FIXED COMPONENT – A monthly, fixed rate of $1.36 per every account which is to pay for the education, advertising and enforcement costs.

(b) VARIABLE COMPONENT – A rate of $0.0663 for every 1,000 gallons used will be assessed per account monthly to cover additional electricity costs and well maintenance due to the severe drought.

SECTION 3. PAYMENT SCHEDULE. This surcharge will be due and payable in the same manner as other water fees. The surcharge will be subject to the same penalties if late as the regular water fees.

SECTION 4. SERVICE OUTSIDE CITY LIMITS. All water services outside the city limits are subject to Board approval and customers shall pay the established monthly rates for the type of service provided including the Drought Surcharge.

SECTION 5. RIGHT TO CONTRACT SEPARATELY. The Board reserves the right and power to contract separately with any person, firm or corporation for the sale and delivery of water at wholesale, the times, places, and prices to be fixed and agreed upon by resolution of the Board of Public Utilities Commissioners. Any person, firm or corporation desiring to purchase water at wholesale from the Department of Public Utilities of the City of Tulare shall make written application to the Board of Public Utilities Commissioners for a contract specifying the time, place and nature of the intended use of said water. Said Board shall consider application, and as in its judgment, said application may be granted without detriment to the City of Tulare, a contract may be entered into for sale and delivery of water wholesale, at times, or over a period of time, at places and prices which in the opinion of the Board will be to the best interest of the City of Tulare.

SECTION 6. BILLS PAYABLE. There will be no change to the due date of water payment or disconnection practices because of the Drought Surcharge.

SECTION 7. DELINQUENT WATER SERVICE. There will be no changes to the Delinquent Water charges or process because of the Drought Surcharge.

SECTION 8. REPEAL OF SURCHARGE. The proposed drought surcharge, if approved, would remain in effect until repealed, in whole or in part, by the Board of Public Utilities. The drought surcharge will be reviewed by the Board of Public Utilities (BPU) every four months until the BPU repeals it. Among the criteria the

board will use to determine the continued necessity of the drought surcharge is: the degree to which the standing water levels under the City have recovered to pre-drought levels, State of California drought related declarations, amounts of recent local rainfall and the allocations of Friant-Kern canal water to the Tulare Irrigation District, whether the cumulative total of costs directly related to the drought by the water fund have been covered by the drought surcharge, and the availability to the water fund of other funds and financial resources to cover the drought related effect costs, and any other facts or circumstances bearing on the continuing need for either repealing or continuing the drought surcharge.

SECTION 9. EFFECTIVE DATE. These rules and regulations shall be in full force and effective October 1, 2014.

PASSED, ADOPTED, AND APPROVED this 7th day of August 2014.

President of the Board of Public Utilities
Commissioners of the City of Tulare

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF TULARE)

I, Don Dorman, City Clerk of the City of Tulare, certify the foregoing is the full and true Resolution 14-04 passed and adopted by the Board of Public Utilities of said City and signed by the President of said Board, at a regular meeting held on August 7, 2014, by the following vote:

Aye(s) Mark Wutte; Dick Johnson; Ron Quinn; Phil Smith; Lee Brehm

Noe(s) NA Absent/Abstention(s) NA

Dated: 8/7/14

DON DORMAN, CITY CLERK

By Roxanne Yoder

BOARD OF PUBLIC UTILITIES COMMISSIONERS CITY OF TULARE CALIFORNIA

Drought Surcharge Water Fees

Drought Surcharge

Fixed Component		
Monthly Amount per Account	$	1.36
Variable Component		
Amount per 1,000 Gallons Consumed	$	0.0663