

RESOLUTION NO. 07-26

RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT SETTING WATER RATES FOR 2026

A. Recitals.

1. Water Code section 31007 authorizes the board of directors of a county water district to fix rates and charges in an amount sufficient to (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 principal and interest on any bonded debt; and

2. The Board of Directors has adopted Resolution 25-16, as amended, setting forth the rules and regulations for water service within the District and the general policies governing rate setting; and

3. Management reviewed current water rates and District costs intended to be funded by revenues from water rates and has provided a recommendation to the Board of Directors regarding revising water rates; and

4. The rates contained herein are consistent with the policies governing rate setting set forth in Resolution 25-16, as amended; and

5. The rates contained herein are no greater than rates currently charged by the District.

B. Resolutions.

NOW, THEREFORE, BE IT FOUND, DETERMINED, AND RESOLVED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT as follows:

1. Each of the above recitals are true and correct and the Board of Directors so finds and determines.

2. Pressure Zones. Three pressure zones (PZ) are hereby established in the District as follows:

a. Pressure Zone 1 - Area served by pipeline prior to reaching Pump Plant 4 (generally, Cummings Basin).

b. Pressure Zone 2 - Area served by pipeline between Pump Plant 4 and Pump Plant 5 (generally, Brite Basin and Tehachapi Basin).

c. Pressure Zone 3 - Area served by pipeline beyond Pump Plant 5 (generally, the Oak Creek area).

3. Agricultural Water. The rates for agricultural water, other than as provided in Section 7 below, are:

Rates Per Acre Foot of Water - Ag	Pressure Zone 1	Pressure Zone 2	Pressure Zone 3
Non-Potable Water	\$ 363	\$ 436	\$ 676
Non-Potable Water, Over-Extraction Fee	\$ 472	N/A	N/A
Recharge Surcharge (if applicable)	\$ 15	\$ 15	\$ 15
Spreading Loss Surcharge (if applicable)	\$ 22	\$ 26	\$ 26

The over-extraction fee is imposed pursuant to Paragraph 13 of the Amended and Restated Judgment and Physical Solution pertaining to the Cummings Basin (located within Pressure Zone 1). This fee is prescribed as a consequence for extracting in any year more than the approved annual allocation and is only applicable to Pressure Zone 1 based on the location covered in the judgment. The recharge surcharge is imposed to recoup maintenance and operation costs of recharge facilities and amortized capital costs of constructing recharge facilities in Tehachapi and Cummings Basins. The spreading loss surcharge is imposed pursuant to Section 1 of Part B of Resolution 25-16, as amended, to recover the cost of imported water lost on account of evaporation, phreatophyte consumption and any other losses incurred in the transportation and spreading of recharge water, the loss rate which the Board hereby finds and determines to be 6%. Thus, the spreading loss surcharge is equal to 6% of the applicable base rate, except PZ 3 which was previously determined by the Board to be set equal to PZ 2. These surcharges are applicable only to customers receiving water for groundwater banking (i.e., artificial recharge).

4. Term M&I Water. The rates for water delivered pursuant to a Term M&I Agreement, other than as provided in Section 7 below, are:

Rates Per Acre Foot of Water - Term M&I	Pressure Zone 1	Pressure Zone 2	Pressure Zone 3
Non-Potable Water	\$ 363	\$ 436	\$ 676
Non-Potable Water, Over-Extraction Fee	\$ 472	N/A	N/A
Recharge Surcharge (if applicable)	\$ 15	\$ 15	\$ 15
Spreading Loss Surcharge (if applicable)	\$ 22	\$ 26	\$ 26

The over-extraction fee is imposed pursuant to Paragraph 13 of the Amended and Restated Judgment and Physical Solution pertaining to the Cummings Basin (located within Pressure Zone 1). This fee is prescribed as a consequence for extracting in any year more than the approved annual allocation and is only applicable to Pressure Zone 1 based on the location covered in the judgment. The recharge surcharge is imposed to recoup maintenance and operation costs of recharge facilities and amortized capital costs of constructing recharge facilities in Tehachapi and Cummings Basin. The spreading loss surcharge is imposed pursuant to Section 1 of Part B of Resolution 25-16, as amended, to recover the cost of imported water lost on account of evaporation, phreatophyte consumption and any other losses incurred in the transportation and spreading of recharge water, the loss rate which the Board hereby finds and determines to be 6%. Thus, the spreading loss surcharge is equal to 6% of the applicable base rate, except PZ 3 which was previously determined by the Board to be set equal to PZ 2. These surcharges are applicable only to customers receiving water for groundwater banking (i.e., artificial recharge).

5. Regular M&I Water. The rate for normal M&I water (i.e., M&I water not delivered pursuant to a Term M&I Agreement), other than as provided in Section 8 below, is \$1,385 per acre foot.

6. Monthly Administrative Charge. Each customer shall pay an administrative charge of \$4.50 per month regardless of how much water is delivered, to partially recoup District clerical and administrative expenses to maintain and bill customers' accounts.

7. Special Rates. The above rates do not apply to:
- a. Water for ultimate use outside the District's boundaries, rates for which shall be determined by the Board of Directors when and if the Board approves such use.
 - b. Water used in violation of the District's Rules and Regulations, in which event the rate specified in Section 4 of Part J of Resolution 25-16, as amended, shall apply.

8. California Environmental Quality Act. The Board of Directors finds, determines and declares that the rates for water authorized hereby are to recover the actual costs of operating expenses, purchasing and leasing supplies, equipment and materials, meeting financial reserve needs and requirements and constructing capital projects necessary to maintain service. Therefore, the District's setting of rates for water pursuant to this Resolution is not a "project" requiring review under the California Environmental Quality Act (CEQA), pursuant to Public Resources Code section 20180(b)(8) and section 15273(c) of the State CEQA Guidelines (14 CA Code of Regs., § 15273(c)).

9. Compliance with Proposition 218. The Board of Directors finds, determines and declares that the rates for water authorized herein comply with the requirements of Article 13D, Section 6, of the California Constitution (Proposition 218) in that:

- a. Revenues derived from water rates and charges do not exceed the funds required to provide the service, including the accumulation of prudent reserves.
- b. Revenues derived from water rates and charges will not be used for any purpose other than to provide water services to residents, property owners and customers of the District.
- c. The amount of the water rates and charges does not exceed the proportional cost of providing the service to any individual customer, lot or parcel.
- d. Water rates and charges will be levied only on properties for which water service has been requested, therefore, the service is deemed to be actually used by, or immediately available to, the customer requesting the water.
- e. The water service provided is not a general governmental service and is not available to the public at large in substantially the same manner as it is to persons requesting water service.

10. Effective Date. This Resolution is effective for billings made after August 1, 2026. This Resolution shall be posted in at least three public places in the District for at least thirty (30) days.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT this 17th day of June 2026.


Robert W. Schultz, Board President

ATTEST:


Catherine Adams, Board Secretary

SECRETARY'S CERTIFICATE

I, CATHERINE ADAMS, Secretary of the Board of Directors of Tehachapi-Cummings County Water District, hereby certify as follows:

The foregoing is a full, true and correct copy of Resolution No. 07-26 duly adopted at a regular meeting of the Board of Directors of the District duly and legally held at the regular meeting place thereof on June 17, 2026. All of the members of the Board of Directors received due notice of the meeting and a majority thereof was present. At the meeting, the resolution was adopted by the following vote:

AYES: Davis, Hall, Schultz

NOES: None

ABSTAIN: None

ABSENT: Ables

ATTEST: 
Catherine Adams, Board Secretary

(SEAL)