

PALOMINO LAKES MUTUAL WATER COMPANY
RATE STRUCTURE, ASSESSMENTS & WATER BILLING POLICY
 Effective February 2018

The following shall be the policy for rates and assessments and is supplementary to the company bylaws and Palomino Lakes CC&R's, superseding all prior supplements on the topics below.

Rate Table

This quarterly rate structure is effective February 1, 2018. It is constructed of the following components and resulting quarterly charges:

Loan repayment	\$202.50		
Capital Projects	\$ 62.50		
Base charge	\$ 52.00		
Tier 1 rate			\$ 2.25 per 1000 gallons
Tier 1 range		0 – 25,000 gallons	
Tier 2 rate			\$11.00 per 1000 gallons
Tier 2 range		25,001 – 35,000 gallons	
Tier 3 rate			\$17.00 per 1000 gallons
Tier 3 range		35,001 – 45,000 gallons	
Tier 4 rate			\$23.00 per 1000 gallons
Tier 4 range		45,001 – 55,000 gallons	
Tier 5 rate			\$29.00 per 1000 gallons
Tier 5 range		55,001+ gallons	

Reading & Billing

Meters are to be read on or about May 1, August 1, November 1, and February 1. Bills will be mailed within two weeks of the above dates with the bill date being the 1st of that month.

Other Charges

The following may be added to a customer's quarterly billing as an "Other Charges" line item:

- Non-standard meters (e.g., new construction, non-3/4" meters) to cover cost of support & future replacement: installation is at cost + time and materials. A quarterly surcharge of **\$5** will be added to the bills of these associated accounts.
- Customer request of meter change-out (non-MWC flagged, to cover meter cost & installation labor): **\$100** one-time. Note that failing meters typically read low, in favor of the customer; PLMWC-initiated meter change-outs are done at no charge.
- Any PLMWC costs relating to certification of backflow preventers or other mandated work on the client's "side of the meter" will be billed at cost on a one-time basis.
- Reconnection of service after disconnect for user non-payment, etc.: **\$100**

Undeveloped Lots

Undeveloped lots represent a share of the water system and its value. As such, those with undeveloped lots will be charged the Loan Payment and Capital Improvement components only (the first two items in the rate table above).

Connections

One normal connection (1 meter) will be allowed per property. If additional water volume is desired, we will allow a larger meter (1" typical connection) but the owner must pay all the upgrade costs PLUS a quarterly charge (see 'Other Charges,' above) to cover the cost of keeping a non-standard spare to replace it when the meter fails.

Connection of a new service: All costs beyond the setting of a water meter shall be the responsibility of the property owner. **Note that at this time there is a state-mandated moratorium on new connections of all types.**

Water Easements

Easements to our water system were given as a grant of water access. When water is actually provided, the resulting consumption volumes, reserve and development component, and special assessments are to be billed to a grantee for reimbursing costs the company incurs for pumping costs, equipment maintenance, water testing, etc. Rates and obligations to such grantees are thus the same as that for the rest of the community.

Special Provisions

Properties lying outside of the community that have access to water provided by the PLMWC and are past due over 6 months, will have legal proceedings initiated to remove that water right permanently. Such proceedings will also attach a lien against that property to recover the delinquent debt as well as any and all legal and associated fees as provided by law.