

**PALOMINO LAKES MUTUAL WATER COMPANY  
RATE STRUCTURE, ASSESSMENTS & WATER BILLING POLICY**

Per Board action 2/27/14

The following shall be the policy for rates and assessments and is supplementary to the company bylaws and Palomino Lakes CC&R's.

**Rate Table**

This quarterly rate structure is effective May 1, 2014. It is constructed of the following components and resulting charges:

Loan repayment	\$149.50		
Capital Projects	\$62.50		
Base charge	\$52.00		
Tier 1 rate			\$2.25 per 1000 gallons
Tier 1 range		0 – 30,000 gallons	
Tier 2 rate			\$10.00 per 1000 gallons
Tier 2 range		30,001 – 60,000 gallons	
Tier 3 rate			\$15.00 per 1000 gallons
Tier 3 range		60,001 – 90,000 gallons	
Tier 4 rate			\$20.00 per 1000 gallons
Tier 4 range		90,001 – 120,000 gallons	
Tier 5 rate			\$25.00 per 1000 gallons
Tier 5 range		120,001+ gallons	

**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 the same as that for the community.

**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).

**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 at the owner's expense of all costs to upgrade, PLUS a quarterly charge (see 'Other Charges') to cover the cost of keeping a non-standard spare to replace it when it fails.

### **Other Charges**

The following may be added to the quarterly billing as a '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) [note: faulty meters typically err on the low side of water usage]: **\$100**
- Reconnection of service after disconnect for user non-payment, etc.: **\$100**
- Connection of a new service: All costs beyond the setting of a water meter shall be the responsibility of the property owner.

1. 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.

### **Reading & Billing**

Meters are to be read on or about April 30, July 31, October 31 and January 31. Bills will to be prepared and mailed within one week of the above dates with bill date being the 30<sup>th</sup> of that month.