

JORDAN VALLEY WATER CONSERVANCY DISTRICT

**RULES AND REGULATIONS
FOR WHOLESALE WATER SERVICE**

Revised, Effective June 5, 2024

JORDAN VALLEY WATER CONSERVANCY DISTRICT

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TABLE OF CONTENTS

CHAPTER 1	POLICY GUIDELINES FOR ADMINISTRATION OF WHOLESALE WATER PURCHASE AGREEMENTS	1-1
1.1	PURPOSE.....	1-1
1.2	AGREEMENT CATEGORIES.....	1-1
1.3	PRIORITIES AMONG AGREEMENTS.....	1-1
1.4	APPROVAL OF NEW AGREEMENTS.....	1-1
1.5	APPLICATIONS TO REDUCE "TAKE-OR-PAY" AGREEMENT AMOUNTS	1-2
1.6	GUIDELINES FOR NEW AGREEMENTS.....	1-3
1.7	USE OF WHOLESALE WATER DELIVERED BY THE DISTRICT	1-5
1.8	DEFERRED DELIVERY OF PURCHASED WATER.....	1-5
1.9	PARTIAL ASSIGNMENT OF TAKE-OR-PAY MINIMUM VOLUME	1-7
CHAPTER 2	WATER RATES, CHARGES AND FEES.....	2-1
2.1	PRICE STRUCTURE.....	2-1
2.2	METER BASE CHARGES	2-1
2.3	RATE SURCHARGES APPLICABLE AFTER ADOPTION OF WATER SUPPLY RESTRICTION LEVEL	2-1
2.4	PAYMENT IN LIEU OF CONVEYING WATER INTERESTS.....	2-2
CHAPTER 3	INVOICES AND PAYMENT.....	3-1
3.1	METER READING	3-1
3.2	PAYMENT OF INVOICES.....	3-1
CHAPTER 4	WHOLESALE METER POLICY.....	4-1
4.1	OBJECTIVES.....	4-1
4.2	MAINTAINING FLOW RATES WITHIN METER CAPACITIES	4-1
4.3	CONDITIONS.....	4-1
4.4	ACCESS, OPERATION, MAINTENANCE AND OWNERSHIP.....	4-2
4.5	COST SHARING.....	4-2
CHAPTER 5	MISCELLANEOUS POLICIES.....	5-1
5.1	JORDAN AQUEDUCT LICENSE AGREEMENT FEES	5-1
5.2	LEASES OF DISTRICT REAL PROPERTY TO MEMBER AGENCIES	5-1
APPENDIX A.....	CATEGORIES AND PRIORITIES OF WATER PURCHASE AGREEMENTS.....	A-1
APPENDIX B.....	BASE CHARGE/FLAT FEE	B-1
APPENDIX C	JORDAN VALLEY WATER CONSERVANCY DISTRICT RESOLUTION 19-26	C-1
APPENDIX D	WATER EFFICIENCY STANDARDS	D-1
APPENDIX E.....	BLOCK 1 WATER SUPPLIES	E-1

CHAPTER 1

POLICY GUIDELINES FOR ADMINISTRATION OF WHOLESALE WATER PURCHASE AGREEMENTS

1.1 PURPOSE

This policy clarifies the relationship and priorities among wholesale water deliveries and among those agreements for water delivery to lands within District boundaries and outside District boundaries.

1.2 AGREEMENT CATEGORIES

The District is a party to water purchase agreements with various agencies, municipalities, districts, departments of state government, and private companies. Those agreements are described in Appendix A.

1.3 PRIORITIES AMONG AGREEMENTS

The water purchase agreements between the District and recipients define agreement amounts or minimum annual volumes to be delivered by the District. Most agreements also include agreement capacities or peak day flow rates at which the District agrees to deliver the agreement volumes.

Shortages in water supply could exist from time-to-time. Those shortages may involve a limitation of water supply to meet all demands. They also may involve limitations in peak source capacity or peak infrastructure conveyance, pumping or storage capacity. Furthermore, capacity limitations could occur throughout the District transmission system or within localized sections of that system.

In times of shortage, water supply and water capacity will be allocated to higher priority agreement's parties before deliveries are made to lower priorities. Allocations may be made for water supply and/or for water delivery peak capacity. Agreement subcategories will share proportionally to their agreement volumes and capacities in the case of a limitation in water supply or peak capacity, except as otherwise set forth in Appendix A.

1.4 APPROVAL OF NEW AGREEMENTS

Appendix A lists the categories for existing and future water purchase agreements or arrangements by the District. Each new agreement is subject to review and approval by the Board. New water purchase agreements, which increase the minimum purchase amount, are subject to the Member Agency implementing the District's water efficiency standards. The District's water efficiency standards are identified in Appendix D. Appropriate monitoring and enforcement measures, as determined by the District, need to be identified as part of the Member Agency's implementation of the water efficiency standards.

Appendix A lists the categories for existing and future water purchase agreements or arrangements by the District.

1.4.1 Each new water purchase agreement is subject to review and approval by the Board.

1.4.2 New water purchase agreements, which increase the minimum purchase amount, are subject to the Member Agency implementing the District's water efficiency standards. The District's water efficiency standards are identified in Appendix D.

- 1.4.3 A water purchase agreement for significant new development may not be approved by the Board without an accompanying annexation agreement or water availability agreement that complies with Section 1.6. Significant new development includes:
 - 1.4.3.1 A development that requires a new Block 2 Category water purchase agreement; or
 - 1.4.3.2 An increase in water volume under an existing Block 2 Category water purchase agreement.
- 1.4.4 Appropriate monitoring and enforcement measures, as determined by the District, need to be identified as part of the Member Agency's implementation of the water efficiency standards.

1.5 APPLICATIONS TO REDUCE "TAKE-OR-PAY" AGREEMENT AMOUNTS

"Take-or-Pay" means a purchaser agrees to pay for a specific minimum volume of water annually, regardless of whether the purchaser takes delivery of the full amount of that volume. Take-or-pay agreements for water purchased from the District cannot be reduced unilaterally by either party during the term of the agreement (although the District is excused from delivery because of lack of water supply or system capacity, system failure, and all other reasons beyond its reasonable control). The Board may consider an application to reduce a take-or-pay agreement minimum volume if there is a corresponding increase in take-or-pay agreement minimum volume by another member agency.

- 1.5.1 The Board will not approve a reduction to a take-or-pay agreement minimum volume unless another member agency contemporaneously increases its take-or-pay agreement minimum volume in an equal or greater amount by: (i) applying for a new agreement or an agreement increase; or (ii) stepping-up its minimum volume under a previously approved agreement increase.
- 1.5.2 In a year when a member agency increases its take-or-pay agreement minimum volume, the General Manager shall establish a procedure to identify member agencies who may be interested in reducing their take-or-pay agreement minimum volume, and in what amounts, and report that information to the Board.
- 1.5.2 The Board may approve a reduction if it finds it is in the best interests of the District.
- 1.5.3 Conditions to a reduction and contemporaneous increase include the following:
 - 1.5.3.1 A reduction in agreement volume must include a corresponding, proportionate reduction in agreement capacity.
 - 1.5.3.2 The reduction of agreement volume may not exceed the amount of the new or increased agreement volume contracted for by another member agency, which must take effect during the same calendar year as the proposed reduction in volume.
 - 1.5.3.3 If requests for reductions in take-or-pay agreement minimum volume in a given year are greater than there are corresponding increases in take-or-pay agreement minimum volume, the Board may determine how to allocate the available volume reductions as it determines to be in the best interests of the District, such as by

proportionate decreases based on the requests for reduction in volume or in proportion to existing agreement volumes.

1.5.3.4 A member agency that reduces its minimum contract volume is ineligible for a subsequent increase in contract volume for a period of three years after the reduction is approved.

1.6 GUIDELINES FOR NEW AGREEMENTS

1.6.1 The District may enter into Category A perpetual wholesale water purchase agreements only with the State of Utah, political subdivisions of the State, special districts, cities and/or towns. Category A wholesale water purchase agreements shall not have annual minimum delivery amounts of less than 500 acre-feet.

1.6.2 Category A water purchase agreements that were executed prior to September 27, 2000, will continue to be honored for agencies which are not the State of Utah, political subdivisions of the State, special districts, cities or towns, and for agreements with annual minimum delivery amounts of less than 500 acre-feet.

1.6.3 An agreement to supply water associated with significant new development shall, at a minimum:

1.6.3.1 Include the property owner or owners of the area to be served as parties to the agreement;

1.6.3.2 Describe the area to be served with water from the District, including:

(i) Gross acreage of the area; and

(ii) The number of developable acres in the area, which is determined by excluding any land with a slope in excess of 30% from the gross acreage;

1.6.3.3 Include the water budget for the area to be served, as determined by the District:

(i) With a base amount not to exceed 1.35 acre-feet per developable acre; and

(ii) With any incentive or adjustment to the base amount as described in section 1.6.4;

1.6.3.4 Include the maximum amount of water projected by the property owners to be delivered to the area:

(i) From the District;

(ii) From all sources;

(iii) For all uses, including indoor and outdoor demands; and

(iv) Categorized by owner, if more than one owner is a party to the agreement;

- 1.6.3.5 Address how the property owners will develop the area to be served without exceeding the maximum amount of water projected to be delivered to the area from all sources;
- 1.6.3.6 Require the property owners to make the District whole if water from the District in excess of the water budget is to be used within the area to be served, such as, for example, by:
 - (i) Conveying to the District water rights or other water interests acceptable to the District;
 - (ii) Making a payment or payments to the District in lieu of conveying water rights or other water interests to the District; or
 - (iii) Providing other benefits to the District that the Board determines will make the District whole.
- 1.6.3.7 Address how the use of water delivered to the area to be served will be managed to reduce depletion and enhance return flows, including through the implementation of the District's then current water efficiency standards or such modifications to the water efficiency standards as may be described in the agreement; and
- 1.6.3.8 Include a process for periodic review of the actual and projected water delivery demand for the area to be served during the course of development and make adjustments to comply with Section 1.6.3.6.
- 1.6.4 An agreement described in Section 1.6.3 may include a water budget incentive or modification in addition to the base budget, in an amount or amounts determined by the District, if terms are included in the agreement:
 - 1.6.4.1 To ensure that:
 - (i) Water delivered to the area to be served for outdoor use, from all sources, will not exceed 40% of the total amount of water delivered to the area for all uses; and
 - (ii) The District is recognized as the owner of, and being solely entitled to control the disposition of, all return flows from culinary water delivered to the area to be served that is discharged to the wastewater collection system;
 - 1.6.4.2 That will result in greater water savings than are required by the District's then current water efficiency standards, such as requiring water efficient landscaping in backyards of single family housing or prohibiting lawn in all commercial, industrial and institutional development other than in active recreation areas; or
 - 1.6.4.3. That the Board determines justify the use of an incentive or modification.
- 1.6.5 The terms of an agreement to supply water for significant new development may include alternative methods of addressing the District's water supply constraints while meeting the water delivery demands of the significant new development if the Board determines such

alternative methods are reasonable under the circumstances and are consistent with the goals, objectives and outcomes of Section 1.6.3 and Section 1.6.4.

1.7 USE OF WHOLESALE WATER DELIVERED BY THE DISTRICT

Water purchased pursuant to agreement categories Block 1 and Block 2 shall not be used, delivered for use, sold, leased, or otherwise be disposed of, outside the boundaries of the District.

1.8 DEFERRED DELIVERY OF PURCHASED WATER

A member agency that does not take delivery during any calendar year of all of its take-or-pay agreement minimum volume (the minimum volume), may take delivery of the difference between the minimum volume and the delivered volume in a future year (“Deferred Water”) without additional payment, as provided in this section.

1.8.1 Deferred Water that accrues in a weather neutral / normal year, when there is no water supply restriction level adopted in accordance on the District’s Drought Contingency Plan (DCP), may only be taken in the immediately following calendar year of so much of the minimum volume not taken as does not exceed five percent (5%) of the member agency’s allotted minimum volume, provided that Deferred Water may be carried over from any calendar year in which the member agency is to take delivery of the Deferred Water from a prior year if the District has adopted a water supply restriction level in accordance with the DCP, in which case the Deferred Water may be carried over to the first calendar year in which no water supply restriction level is in place.

Drought Contingency Plan Water Supply Restriction Level in year of accrual	% contract minimum volume available for deferred delivery (a)	Number of subsequent years Deferred Water will be available (b)
0 – Weather Neutral / Normal	5.0%	1

Notes: a) Subject to standard conditions regulating accrual and delivery of Deferred Water.
 b) A calendar year during which JVVCD establishes a Water Supply Restriction Level 1,2,3, or 4 will not count against the year limit that delivery of Deferred Water is available.

1.8.2 Deferred Water that accrues in a year when there is a formal water supply restriction level adopted in accordance with the DCP¹, or when otherwise approved by the Board based on extraordinary conditions², may be taken over more than one subsequent year and in varying amounts based on the adopted DCP water supply restriction level in the year the Deferred Water accrues.

1 In calendar year 2021, the District did not adopt a DCP water supply restriction level because the DCP was not fully in effect. For purposes of calculating the number of years Deferred Water will be available, due to the extraordinary conditions existing in calendar year 2021, Deferred Water that accrued in that year shall be treated as if the Board had adopted a level 1 moderate water supply restriction.

2 The extraordinary conditions under which the District may extend the delivery period for Deferred Water are limited to periods that the District actively promotes DCP water use restrictions. The District’s normal messaging which encourages long-term conservation and efficient use of water supplies is not a promotion of DCP water use restrictions

Drought Contingency Plan Water Supply Restriction Level in year of accrual	% contract minimum volume available for deferred delivery (a)	Number of subsequent years Deferred Water will be available (b)
1 – Moderate	7.5%	2
2 – Severe	10.0%	2
3 – Extreme	12.5%	3
4 – Exceptional/Critical	(c)	(c)
Notes: a) Subject to standard conditions regulating accrual and delivery of Deferred Water. b) A calendar year during which JVWCD establishes a Water Supply Restriction Level 1,2,3, or 4 will not count against the year limit that Deferred Water will be available. c) To be determined by Board.		

1.8.3 The calculation and delivery of Deferred Water is subject to the following standard conditions:

1.8.3.1 The calculation of Deferred Water accrued during a calendar year, regardless of whether a DCP water supply restriction has been adopted, shall not include any water besides the take-or-pay minimum volume allotted for purchase, specifically excluding additional water a member agency may purchase at its discretion.

1.8.3.2 A calendar year during which the District establishes a DCP Water Supply Restriction Level 1, 2, 3, or 4, does not count against the year limit that Deferred Water will be available.³

1.8.3.3 In any year a member agency takes or could take delivery of Deferred Water:

- (i) delivery of Deferred Water is subject to water availability and system capacity, as reasonably determined by the District;
- (ii) Deferred Water shall have a priority in the year of its delivery which is lower than the priority of the minimum volume of water allotted that year for purchase;
- (iii) the member agency may notify the District in writing, on or before January 31st of each year, of how it prefers to take delivery of Deferred Water. If a plan is not provided to the District by January 31st, the District shall presume that a member agency will not take delivery of Deferred Water until after it has taken delivery of all of the minimum volume of water allotted to it for purchase that calendar year;

³ Although a calendar year in which a DCP water supply restriction is adopted does not count against the number of years that Deferred Water is available: (i) a member agency may still elect to take delivery of available accrued Deferred Water during that calendar year if Deferred Water is not out of priority; and (ii) Deferred Water that may accrue over successive calendar years in which DCP water supply restrictions are in place is all available for delivery in the next calendar year for which no DCP water supply restriction is adopted.

- (iv) the District reserves the right to depart from a member agency's preferred timing of delivery of Deferred Water as deemed necessary or appropriate by District. If the District departs from the preferred delivery, it shall provide written notice to a member agency of the reason for the departure;
- (v) the member agency may designate the order of delivery of Deferred Water from prior calendar years if undelivered Deferred Water accrued over more than one calendar year due to adoption of a DCP water supply restriction level. In the absence of such a designation, the District shall presume that the order of delivery is the one which will maximize the member agency's ability to carry over Deferred Water to subsequent years;
- (vi) regardless of either the timing of delivery or the order of delivery of Deferred Water, a member agency is required to purchase its minimum volume each year in accordance with the water purchase agreement and these rules;
- (vii) for all purposes other than the payment of the initial charges for the Deferred Water, delivery of Deferred Water is subject to all other applicable rules and regulations relating to water deliveries in the year of delivery, such as pumping costs, determination of peak flows, priority, maximum contract volume limits and the application of a rate surcharge for water deliveries which exceed a particular percentage of minimum contract volume based on an adopted DCP water supply restriction level; and
- (viii) to be eligible for this policy, the member agency shall, at all relevant times, be in compliance with the terms and conditions of its water purchase agreement with the District, specifically including payment of monies and fees owed the District.

1.8.4 If a member agency takes delivery of its water allotment from the District over a fiscal year, then all references in this section 1.8 to "calendar year" shall be replaced with "fiscal year" that includes the period from July 1 through June 30.

1.9 PARTIAL ASSIGNMENT OF TAKE-OR-PAY MINIMUM VOLUME

If a member agency anticipates not needing to take delivery of the full amount of its take-or-pay agreement minimum volume (minimum volume) in a given year, it may make a written request to the General Manager to assign up to five percent (5%) of its minimum volume to other member agencies in that year as determined by the District and as provided in this Section.

1.9.1 On an annual basis the General Manager shall establish a deadline for a member agency to declare its desire to assign a portion of its minimum volume and may establish different deadlines for a member agency whose water deliveries are measured on a fiscal year basis than for a member agency whose water deliveries are measured on a calendar year basis. All assignments of water shall be made by the District in December of each year.

1.9.2 The total volume of water that may be partially assigned by all member agencies in a given year may not exceed the amount that has been delivered to other member agencies in excess of the minimum volume for their water purchase agreements.

- 1.9.3 If more water is made available for assignment than can be allocated to member agencies who have taken water in excess of their minimum volumes, the assigned water will be allocated in proportion to the total amount of water delivered to member agencies in excess of their minimum volumes divided by the amount of water made available for assignment.
- 1.9.4 If a member agency makes water available for assignment, it may not accrue Deferred Water under Section 1.8.1 in the same calendar year, except that any water that is not able to be assigned by the District shall be paid for by the member agency in accordance with the terms of the member agency's water purchase agreement and become Deferred Water.
- 1.9.5 A member agency whose minimum volume is partially assigned by the District to other member agencies is relieved from paying for the volume of water that is assigned in that year, but the assignment does not increase the minimum volume of another member agency and does not change any other condition or restriction associated with the delivery of water to a member agency under these rules or imposed by contract, including water rates charged to a member agency, the calculation of peaking factors, the calculation or assessment of penalties or surcharges for the amount of water taken based on contract minimum purchase volumes, or limits associated with maximum daily flow rates.
- 1.9.6 Assigned water does not need to be requested by another member agency and member agencies who have exceeded their minimum volume purchase amounts do not need to agree to an assignment.
- 1.9.7 Water assigned by the District under this Section may not be allocated to a Block 2 water contract and may not be used in any way to reduce payment due to the District for a water delivery contract that is not a take-or-pay contract.
- 1.9.8 A member agency whose water is delivered on a fiscal year basis shall have any water it makes available for assignment allocated at the same time as member agencies whose water is delivered on a calendar year basis and any adjustment to its billing shall be made at the same time as those other member agencies.

CHAPTER 2

WATER RATES, CHARGES AND FEES

2.1 PRICE STRUCTURE

The price structure for agreement categories is set forth in Appendix A, which includes at least one of the following:

- 2.1.1 Block 1 price structure consists of an aggregation of all costs related to: acquisition, conveyance and distribution, treatment, storage, pumping, capital, conservation, and any other related costs (collectively, "Water Costs") from existing District water supplies as of November 13, 2019, except the portions of the Central Water Project costs which become committed to Block 2 water purchase agreements. Block 1 will also include the Water Costs of the future Utah Lake Drainage Basin Water Delivery System (ULS), and other minor future water supplies noted in Appendix E. The water rates for Block 1 will be determined by the Base-Extra Capacity Method of the American Water Works Association for the Water Costs, as interpreted and implemented by the District. Attached Appendix E is illustrative, but not necessarily definitive.
- 2.1.2 Block 2 price structure consists of the Water Costs of the Central Water Project. The water rates for Block 2 will be determined by the Base-Extra Capacity Method of the American Water Works Association, as interpreted and implemented by the District.
- 2.1.3 The retail water price as determined by an annual water rate study performed by/for the District;
- 2.1.4 Meter Charges; or,
- 2.1.5 As otherwise set forth in agreements or court orders.
- 2.1.6 Certain other categories, including Block 1 (F) and X2, involve formulas which can be calculated at the time of need.

2.2 METER BASE CHARGES

Meter base charges shall be charged monthly to each active wholesale meter, regardless of the actual volume of water taken through the meter. The charges recover, in part, the District's expenses associated with the meter, including but not limited to meter reading, account billing, service and maintenance, repair, replacement, and other overhead items. For all member agencies, the charges will constitute the "Meter Base Charge" defined in the water purchase agreements and, beginning on January 1, 2004, these charges will be as shown on Appendix B and will replace the then-existing flat fee.

2.3 WHOLESALE RATE SURCHARGES APPLICABLE FOLLOWING ADOPTION OF A WATER SUPPLY RESTRICTION LEVEL

The District has prepared a Drought Contingency Plan (DCP) with grant funding assistance from the U.S. Bureau of Reclamation. In accordance with the DCP, the District will consider establishing water supply restrictions under varying water supply availability conditions. In order to encourage compliance with the adopted water supply restriction level, the District will apply a rate surcharge for

water deliveries which exceed the established restriction amount. The applicable rate surcharges are identified in the tables below:

Drought Contingency Plan (DCP) Water Supply Restriction Level	Water Restriction based on contract volume	Rate surcharge for water deliveries exceeding restriction level
0 – Weather Neutral / Normal	n/a	n/a (a)
1 – Moderate	Maximum Contract Volume (b)	Block 2 Rate x 1.10
2 – Severe	Intermediate Contract Volume (c)	Block 1 Rate x 1.25 (d)
3 – Extreme	Minimum Contract Volume	Block 1 Rate x 1.50 (d)
4 – Exceptional/Critical	Less than Minimum Contract Volume < 100% (e)	Block 1 Rate x 2.00 (d)

Notes: a) Block 2 rates are charged for all water delivered which exceeds 120% Minimum Contract Volume regardless of DCP Water Supply Restriction Level.
b) Maximum Contract Volume is 20% more than the Minimum Contract Volume defined in the Wholesale Water Purchase Agreement.
c) Intermediate Contract Volume is 10% more than the Minimum Contract Volume defined in the Wholesale Water Purchase Agreement.
d) Water deliveries in excess of Maximum Contract Volume will also be charged at Block 2 Rate x 1.10.
e) During Level 4 – Exceptional/Critical conditions, the District will establish a water restriction level based upon the then current conditions.

DROUGHT CONTINGENCY PLAN (DCP) SURCHARGE FLOWCHART					
<i>DCP Water Supply Restriction Level</i>		<i>Contract Volume</i>			
		Minimum Volume	Intermediate Volume	Maximum Volume	Over Maximum
		100% or less of minimum volume	100%-110% of minimum volume	110%-120% of minimum volume	< 120% of minimum volume
Weather Neutral / Normal	Level 0	Block 1	Block 1	Block 1	Block 2
Moderate	Level 1	Block 1	Block 1	Block 1	Block 2 x 1.10
Severe	Level 2	Block 1	Block 1	Block 1 x 1.25	Block 2 x 1.10
Extreme	Level 3	Block 1	Block 1 x 1.50		Block 2 x 1.10
Exceptional/Critical	Level 4*	Block 1 x 2.0			Block 2 x 1.10

* In level 4, the District will establish an allowed volume based upon the then current conditions

2.4 PAYMENT IN LIEU OF CONVEYING WATER INTERESTS

2.4.1 The District allows an individual to request water in excess of a water budget in conjunction with significant new development. If the District agrees to provide water in excess of a water budget, and if the individual desires to make the District whole for the excess demand by making a payment in lieu of conveying water rights or other water interests to the District (“In Lieu of Fee”), the In Lieu of Fee shall be determined in accordance with this paragraph.

2.4.2 The In Lieu of Fee shall be calculated on a per acre-foot basis by dividing the District’s total cost to acquire or develop water after January 2, 2023, by the total number of acre-feet acquired or developed during that time period, rounded to the nearest hundred dollar (\$100) increment.

2.4.3 For purposes of this paragraph:

2.4.3.1 Water acquired by the District includes water rights and shares of water in a mutual irrigation company, canal company or other entity that distributes water to its shareholders on an aliquot basis.

2.4.3.2 Water developed by the District includes water conserved or saved through programs where the conservation or savings is reasonably projected to be sustained over time, such as through landscape modification incentive programs that include commitments by the recipient to not return the landscape to its prior condition.

2.4.3.3 Total cost to acquire or develop water includes actual purchase costs, incentive payments, and out of pocket expenses incurred by the District but does not include costs of District staff or other District resources required to enter into and complete such transactions.

2.4.4 If payment of an In Lieu of Fee is made at a time other than when an annexation agreement or water availability agreement is entered into, the In Lieu of Fee shall be calculated on the date the payment is actually made to the District and not based on the date the annexation agreement or water availability agreement is approved or entered into.

CHAPTER 3
INVOICES AND PAYMENT

3.1 METER READING

Wholesale meter stations will be read at least once each month. Real time monitoring may be installed as determined by the District. Meter reading and real time monitoring data will be made available to member agencies upon request.

3.2 PAYMENT OF INVOICES

3.2.1 An invoice shall be due and payable within 30 days from the date the invoice is received by the member agency.

3.2.2 An invoice that is not paid by its due date will be considered delinquent, and shall incur interest charges of one percent per month (12% APR) on the delinquent balance.

3.2.3 The District will accept only the following methods of payment from wholesale customers: check, cashier's check, money order, or Automated Clearing House.

CHAPTER 4
WHOLESALE METER POLICY

4.1 OBJECTIVES

The objectives of this chapter are:

The objectives of this chapter are:

- 4.1.1 To encourage and assist existing member agencies to purchase water from the District;
- 4.1.2 To share certain capital and financial requirements for member agencies to receive wholesale water deliveries from the District;
- 4.1.3 To provide a uniform method for District participation in meter station costs that avoids unfair or uneven subsidies among member agencies;
- 4.1.4 To avoid a cost-participation policy which encourages member agencies to proliferate meter stations along the District transmission system in preference to member agencies constructing their own internal distribution system improvements;
- 4.1.5 To resolve ownership, access, operation and maintenance issues for meters;
- 4.1.6 To set forth acceptable design criteria for wholesale meter stations; and
- 4.1.7 To define procedures for keeping wholesale meter station peak flow rates within meter capacities for accurate operation.

4.2 MAINTAINING FLOW RATES WITHIN METER CAPACITIES

It shall be the responsibility of each member agency to ensure that peak flow rates at its wholesale meter stations do not exceed meter capacities, and that when higher peak flows are needed, the capacity of the meter station shall be increased. The District reserves the right to throttle or close isolation valves to meter stations if member agencies do not maintain peak flows within meter station capacities. Such throttling or closing of isolation valves will occur only after notification to the member agency by the District.

4.3 CONDITIONS

The following conditions apply to the initial construction or subsequent capacity expansion of any wholesale meter station:

- 4.3.1 The wholesale meter station location and delivery rates are subject to the availability of District system capacity, as determined by the District;
- 4.3.2 A meter station may be expanded for additional capacity only if the expanded facility meets design requirements for accurate metering, as determined by the District; and
- 4.3.3 Meter station design, review, and coordination shall meet design criteria and guidelines acceptable to the District. Capital costs of new or expanded wholesale meter stations, including engineering costs, shall be paid by the member agency, except as provided elsewhere in this Policy.

4.4 ACCESS, OPERATION, MAINTENANCE AND OWNERSHIP

4.4.1 Access. Both the District and the member agency have right of access to each wholesale meter station.

4.4.2 Operation and Maintenance. The District shall operate and maintain all piping and fittings upstream of the wholesale meter station and within the meter station downstream to, and including, the meter. If, however, a pressure or flow control valve, pump, or miscellaneous device exists upstream of the meter, it shall be operated and maintained by the member agency. The member agency shall operate and maintain all piping and fittings downstream of the meter, and the flow or pressure control valve, pump or miscellaneous device wherever it exists. The downstream valve will be operated by the District as required to maintain piping, meters and fittings owned by the District.

4.4.3 Ownership. The District and the member agency shall each own the piping and fittings which they operate and maintain. In addition, the vault and structural appurtenances shall be owned jointly by the District and the member agency.

4.5 COST SHARING

Prior to the District sharing any meter costs described in this policy, the District shall enter into an agreement with the member agency containing terms compatible with this policy.

CHAPTER 5

MISCELLANEOUS POLICIES

5.1 JORDAN AQUEDUCT LICENSE AGREEMENT FEES

The District shall charge and collect a \$150.00 fee from a Jordan Aqueduct license agreement applicant prior to reviewing and processing any proposed Jordan Aqueduct license agreement.

5.2 LEASES OF DISTRICT REAL PROPERTY TO MEMBER AGENCIES

The Board may approve leases of District property, or granting rights-of-way and/or easements across real property owned by the District, to member agencies for purposes of pumping or otherwise taking delivery of District water under a wholesale water purchase agreement. The following guidelines apply:

- 5.2.1 The lease, easement, or right-of-way shall not impair the District's use (or foreseeable use) of the subject property.
- 5.2.2 The lease, easement, or right-of-way shall be for a fixed term not to exceed 20 years. The lease may be renewed after its expiration as agreed by the parties.
- 5.2.3 If the District determines that the property under lease is needed for District purposes, the member agency shall vacate the property and remove all facilities and structures which may interfere with the District's use, or secure such other alternative real property as necessary for District use at the agency's sole cost and with prior approval of the District.
- 5.2.4 The member agency shall be responsible to construct and maintain buildings and landscaping improvements which are architecturally compatible with the District's existing and future improvements, as determined by the District.
- 5.2.5 The member agency shall agree to a reciprocal arrangement in which a comparable lease, easement or right-of-way will be granted to the District on any of the member agency's real property if the District identifies an existing or future need for such a lease, easement or right-of-way.
- 5.2.6 If the member agency has a category Block 1(A) or Block 2 wholesale water purchase agreements with the District, the District will not require more than nominal compensation for the lease, easement, or right-of-way. For agencies with other than category Block 1(A) or Block 2 wholesale water purchase agreements, however, the District will require market value compensation for the lease, easement or right-of-way.
- 5.2.7 Any grant of lease, easement or right-of-way is subject to approval by the Board.

JORDAN VALLEY WATER CONSERVANCY DISTRICT

APPENDIX A

CATEGORIES AND PRIORITIES OF WATER PURCHASE AGREEMENTS

Note:

1. All Category Block 1 agreements are applicable to water deliveries to lands that were within the boundaries of JVVCD, or within the boundaries of a Member Agency as of January 15, 2019 (see Appendix C, JVVCD Resolution 19-26).
2. All Category Block 2 agreements are applicable to water deliveries to lands that were annexed into JVVCD boundaries and Member Agency boundaries after January 15, 2019 (see Appendix C, JVVCD Resolution 19-26).
3. All Category X agreements are applicable to water deliveries to lands outside JVVCD boundaries.
4. All price structures may be subject to a drought surcharge during periods when the Board has adopted a water supply restriction level in accordance with the District's Drought Contingency Plan. The drought surcharge varies depending on the applicable water supply restriction level and the agreement category.

AGREEMENT CATEGORY	DESCRIPTION	PRIORITY ^(a)	PRIORITY INCLUDES		PRICE STRUCTURE
			WATER SUPPLY	CAPACITY ^{(b)(c)}	
Block 1 (A)	Up to 100% of the minimum amount of water and capacity taken under a wholesale take-or-pay agreement with a perpetual term.	1	Yes	Yes	In accordance with annual wholesale water rate study, conducted according to the AWWA "base-extra capacity" method, as interpreted and implemented by the District.
Block 1 (Retail)	All water delivered under retail service agreements to individual retail customers.	1	Yes	Yes	In accordance with annual retail water rate study.
Block 1 (B)	Up to 100% of the minimum amount of water and capacity under a wholesale take-or-pay agreement with a fixed term and price formula subject to an annual water rate study under the AWWA base-extra capacity method (Hexcel agreement).	1	Yes	Yes	In accordance with annual wholesale water rate study, conducted according to the AWWA "base-extra capacity" method, as interpreted and implemented by the District.
Block 1 (C)	Water delivered under a perpetual water purchase agreement with an agency which originally transferred a water right and water supply asset to JVVCD. (Willow Creek Country Club agreement. Peak capacity is limited to the yield of that water supply/water right asset, the 2350 East Creek Road well.)	1	Yes	Yes	As set forth in the Willow Creek Country Club agreement and subsequent court order.
Block 1 (D)	From 100% to 120% of the minimum amount named in Agreement Category Block 1 (A and B).	2	Yes	Yes	In accordance with annual wholesale water rate study, conducted according to the AWWA "base-extra capacity" method, as interpreted and implemented by the District.

AGREEMENT CATEGORY	DESCRIPTION	PRIORITY ^(a)	PRIORITY INCLUDES		PRICE STRUCTURE
			WATER SUPPLY	CAPACITY ^{(b)(c)}	
Block 1 (E)	Above 120% of the minimum amount named in Block 1 agreements.	3	Yes	Yes	Prior to January 1, 2021, the price structure is the same as Agreement Category Block 1 (A, B, and D). Beginning January 1, 2021, the price structure will be the supply and treatment costs of the Central Water Project, combined with the applicable conveyance, storage, distribution, capital, conservation, and other unbundled unit costs. These costs will be updated in accordance with the annual wholesale water rate study, conducted according to the AWWA "base-extra capacity" method, as interpreted and implemented by the District. This price structure corresponds to the Block 2 price structure.
Block 1 (F)	Water delivered to lands within JVVCD boundaries pursuant to a stand-by water purchase agreement with no minimum purchase requirement for a fixed term.	4	Yes	No	As set forth in the agreement.
Block 1 (G)	Water delivered with no agreement, but to lands within JVVCD boundaries.	5	No	No	The supply and treatment costs of the Central Water Project combined with the applicable conveyance, storage, distribution, capital, conservation, and other unbundled unit costs + any pumping costs incurred + 10%. These costs will be updated in accordance with the annual wholesale water rate study, conducted according to the AWWA "base-extra capacity" method, as interpreted and implemented by the District.
Block 2	Water delivered under a wholesale water purchase agreement with a perpetual term to lands which are subject to the water availability fee per JVVCD Resolution 19-26.	1	Yes	Yes	The supply and treatment costs of the Central Water Project combined with the applicable conveyance, storage, distribution, capital, conservation, and other unbundled unit costs. These costs will be updated in accordance with the annual wholesale water rate study, conducted according to the AWWA "base-extra capacity" method, as interpreted and implemented by the District.
X1	Water delivered with an agreement to lands outside JVVCD boundaries. This type of agreement will be available only for a short, fixed term.	5	Yes	No	As set forth in the agreement.
X2	Water delivered without a written purchase agreement to lands outside JVVCD boundaries. This will be for emergency use only, if available.	6	No	No	The cost of the most recently completed water supply project (supply and treatment) combined with the applicable conveyance, storage, distribution, capital, conservation, and other unbundled unit costs (JVVCD highest quarter average wholesale rate + any pumping cost incurred + fee in lieu of tax) + 10%.

AGREEMENT CATEGORY	DESCRIPTION	PRIORITY ^(a)	PRIORITY INCLUDES		PRICE STRUCTURE
			WATER SUPPLY	CAPACITY ^{(b)(c)}	
<p>^(a) Priorities are in descending order. For example, priority #1 agreements will have their water supply and delivery capacity met (up to the agreement amounts) before priority #2 agreements in times of supply or capacity shortages.</p> <p>^(b) Capacity limited to that defined in agreement, when defined.</p> <p>^(c) Capacity shortages could result from system-wide or localized limits in peak source capacity or infrastructure.</p>					

APPENDIX B
BASE CHARGE/FLAT FEE

METER SIZE	BASE CHARGE/FLAT FEE
5/8" & 3/4"	\$3.00
1"	\$4.00
1-1/2"	\$5.00
2"	\$8.00
3"	\$15.00
4"	\$25.00
6"	\$50.00
8"	\$78.00
10"	\$114.00
12"	\$168.00
14"	\$228.00
16"	\$300.00
18"	\$378.00
20"	\$462.00
24"	\$672.00
30"	\$1,050.00

APPENDIX C
JVWCD RESOLUTION 19-26



JORDAN VALLEY WATER
CONSERVANCY DISTRICT

RESOLUTION OF THE BOARD OF TRUSTEES

RESOLUTION NO. 19-26

ANNEXATIONS OF REAL PROPERTY INTO THE JORDAN VALLEY WATER CONSERVANCY DISTRICT

- A. WHEREAS, the Jordan Valley Water Conservancy District (“District”) has 17 Member Agencies, which include the City of Bluffdale, Draper City, Granger-Hunter Improvement District, Herriman City, Hexcel Corporation, Kearns Improvement District, Magna Water District, Midvale City, Riverton City, City of South Jordan, City of South Salt Lake, Taylorsville-Bennion Improvement District, Utah Department of Corrections, WaterPro, Inc., City of West Jordan, White City Water Improvement District, and Willow Creek Country Club (collectively, the “Member Agencies”); and the District has a retail program that delivers drinking water to end-users (collectively, the “Retail Customers”); and the District has a stand-by water purchase agreement with Copperton Improvement District (“Stand-by Customers”);
- B. WHEREAS, the District pursues the development of drinking water supplies for its Member Agencies and Retail Customers and Stand-by Customers;
- C. WHEREAS, the District is conducting a study of its water supplies (both those currently available and potential, future supplies); demands for those supplies with a comparison to the projected future populations of its Member Agencies and its Retail Customers and its Stand-by Customers, including consideration of possible droughts more severe than historical records and the effects of a changing climate; and, the capacity of District treatment and conveyance facilities (collectively, the “Study”);
- D. WHEREAS, the District also intends to evaluate alternatives for allocation of costs associated with developing and providing water supplies and developing infrastructure to meet the population projections of its Member Agencies and its Retail Customers and its Stand-by Customers (the “Evaluation”);
- E. WHEREAS, as part of the Evaluation, the District intends to amend its retail impact fee facilities plan and impact fee analysis for retail culinary water services, and to evaluate the need to impose a water availability fee or new water rate(s) (the “Fee”) for culinary water delivered after the Effective Date, defined below, to lands outside the boundaries of any Member Agency or outside the lands of the Retail Customers or outside the boundary of the Stand-by Customers;
- F. WHEREAS, the amount of the Fee could be significant; and,

G. WHEREAS, in the meantime, while the Study and Evaluation are underway, the District may consider certain annexations of real property into the District without imposition of the Fee, which Fee may be imposed later, as provided below.

NOW, THEREFORE, BE IT RESOLVED by the Jordan Valley Water Conservancy District Board of Trustees:

1. Before the Effective Date, real property that is located outside District boundaries but is located anywhere inside the boundaries of any one of the Member Agencies or is within the lands of the Retail Customers, may be annexed into the District upon compliance with Utah law and upon the Board's formal approval. Water delivered to those annexed properties is not subject to imposition of the Fee.

2. Before the Effective Date, real property that is located outside District boundaries but is located anywhere inside the boundary of the Stand-by Customers, may be annexed into the District upon compliance with Utah law and upon the Board's formal approval. The first one hundred (100) acre feet of water delivered to those annexed properties are not subject to imposition of the Fee.

3. Water contracted for and delivered to real property annexed into the District after the Effective Date, which property is not within the boundaries of any one of the Member Agencies as of the Effective Date or is not within the lands of the Retail Customers as of the Effective Date or is not within the boundary of the Stand-by Customers as of the Effective Date, is subject to imposition of the Fee.

4. The Effective Date shall mean January 15, 2019.


5. This Resolution hereby amends Resolution No. 18-26, effective as of November 14, 2018.

6. This Resolution shall be effective immediately upon execution by an authorized member of the Board of Trustees.

PASSED, ADOPTED, and APPROVED this 16th day of October, 2019.



Corey L. Rushton
Chair of the Board of Trustees

ATTEST:


Richard P. Bay
Clerk

APPENDIX D
WATER EFFICIENCY STANDARDS

WATER EFFICIENCY STANDARDS

1. Purpose
The purpose of these Water Efficiency Standards is to conserve the public's water resources by establishing water conservation standards for indoor plumbing fixtures and outdoor landscaping.
2. Applicability
The following standards shall be required for all developer/contractor installed residential, commercial, institutional, and industrial construction, as applicable. The Outdoor Landscaping Standards shall also be required for new landscaping construction installed by homeowners.
3. Indoor Fixture Requirements
It is recommended and encouraged, but not mandated, that all new and future construction and future additions, remodels, or refurbishments install plumbing fixtures that have the WaterSense label, including: lavatory faucets, shower heads, sink faucets, water closets (tank and flushometer-valve toilets), and urinals, to the extent Utah law allows municipalities or local districts to require these fixtures.
4. Outdoor Landscaping Standards
All new and rehabilitated landscaping for public agency projects, private development projects, developer-installed landscaping in multi-family and single-family residential projects within the front and side yards, and homeowner provided landscape improvements within the front and side yards of single and two-family dwellings shall comply with the landscaping standards below:

Definitions

- A. Activity Zones: Portions of the landscape designed for recreation or function, such as storage areas, fire pits, vegetable gardens, and playgrounds.
- B. Active Recreation Areas: Areas of the landscape dedicated to active play where Lawn may be used as the playing surface (ex. sports fields and play areas).
- C. Central Open Shape: An unobstructed area that functions as the focal point of Localscapes and is designed in a shape that is geometric in nature.
- D. Gathering Areas: Portions of the landscape that are dedicated to congregating, such as patios, gazebos, decks, and other seating areas.
- E. Hardscape: Durable landscape materials, such as concrete, wood, pavers, stone, or compacted inorganic mulch.

- F. Lawn: Ground that is covered with grass or turf that is regularly mowed.
- G. Localscapes®: A landscaping approach designed to create locally adapted and sustainable landscapes through a basic 5-step approach (central open shape, gathering areas, activity zones, connecting pathways, and planting beds).
- H. Mulch: Any material such as rock, bark, compost, wood chips or other materials left loose and applied to the soil.
- I. Park Strip: A typically narrow landscaped area located between the back-of-curb and sidewalk.
- J. Paths: Designed routes between landscape areas and features.
- K. Planting Bed: Areas of the landscape that consist of plants, such as trees, ornamental grasses, shrubs, perennials, and other regionally appropriate plants.
- L. Total Landscaped Area: Improved areas of the property that incorporate all of the completed features of the landscape. The landscape area does not include footprints of buildings or structures, sidewalks, driveways, and other non-irrigated areas intentionally left undeveloped.

5. Landscaping Requirements

- A. All irrigation shall be appropriate for the designated plant material to achieve the highest water efficiency. Drip irrigation or bubblers shall be used except in Lawn areas. Drip irrigation systems shall be equipped with a pressure regulator, filter, flush-end assembly, and any other appropriate components.
- B. Each irrigation valve shall irrigate landscaping with similar site, slope and soil conditions, and plant materials with similar watering needs. Lawn and Planting Beds shall be irrigated on separate irrigation valves. In addition, drip emitters and sprinklers shall be placed on separate irrigation valves.
- C. Landscaped areas shall be provided with a WaterSense labeled smart irrigation controller which automatically adjusts the frequency and/or duration of irrigation events in response to changing weather conditions. All controllers shall be equipped with automatic rain delay or rain shut-off capabilities.
- D. At least 3-4 inches of Mulch, permeable to air and water, shall be used in Planting Beds to control weeds and improve the appearance of the landscaping.
- E. At maturity, landscapes are recommended to have enough plant material (perennials and shrubs) to create at least 50% living plant cover at maturity at the ground plane, not including tree canopies.

- F. Lawn shall not be installed in Park Strips, Paths, or on slopes greater than 25% or 4:1 grade, and be less than 8 feet wide at its narrowest point. To the extent reasonably practicable, Lawn shall be free from obstructions (trees, signs, posts, valve boxes, etc.).
- G. In residential landscapes, the landscaping shall adhere to the following Localscapes requirements:
- i. If size permits, the landscaped areas of the front yard and back yard shall include a designed Central Open Shape created by using Lawn, Hardscape, groundcover, gravel, or Mulch.
 - ii. Gathering Areas shall be constructed of Hardscape and placed outside of the Central Open Shape. In a landscape without Lawn, Gathering Areas may function as the Central Open Shape.
 - iii. Activity Zones shall be located outside of the Central Open Shape and shall be surfaced with materials other than Lawn.
 - iv. Paths shall be made with materials that do not include Lawn, such as Hardscape, Mulch, or other groundcover.
 - v. Lawn areas shall not exceed the greater of 250 square feet, or 35% of the Total Landscaped Area.
 - vi. Small residential lots, which have no back yards, which the Total Landscaped Area is less than 250 square feet, and which the front yard dimensions cannot accommodate the minimum 8 feet wide Lawn area requirement of the Landscaping Requirements in section F, are exempt from the 8 feet minimum width Lawn area requirement.
- H. In commercial, industrial, institutional, and multi-family development common area landscapes, Lawn areas shall not exceed 20% of the Total Landscaped Area, outside of Active Recreation Areas.
- I. Certain special purpose landscape areas (e.g. stormwater management areas, etc.) may receive exceptions from the slope limitations and other elements of the Landscaping Requirements (see Paragraph F, above). Applications to receive exceptions are to be considered on a case-by-case basis.
- J. These outdoor standards are not intended to be in conflict with other landscaping requirements as defined by Utah law, including stormwater retention requirements and low-impact development guidelines. Notwithstanding these outdoor standards, whenever any requirement may be in conflict with Utah law, such conflicting requirements shall not apply.

APPENDIX E
BLOCK 1 WATER SUPPLIES

<u>BLOCK 1</u>		
<u>Name of Supply</u>	<u>Normal Year Yield (AF)</u>	<u>Reliable Drought Year Yield (AF)</u>
Central Utah Project	50,000 ^(a)	50,000 ^(a)
PRWU Co. shares		
Provo River Direct Flow	17,200	11,455
Deer Creek Storage	11,300	8,881
Echo Storage	3,500	3,206
Weber River Direct Flow	0	826
Uinta Lakes	3,000	2,400
Contained Shares	7,600	5,000
West Union Canal right	5,300	3,070
High quality groundwater	22,500 ^(b)	22,500 ^(b)
Local mountain streams	3,000	2,000
SWJV Groundwater Project (Zone B and Lost Use)	7,000 ^(c)	7,000 ^(c)
ULS (Strawberry storage)	16,400	16,400
TOTAL:	146,800	132,738

Notes:

- (a) Includes 6,300 AF currently turned back to CUWCD.
- (b) Includes additional 1,500 AF yield from equipping Etienne Way, Murray-Holladay Road, and other new high-quality wells. Also includes 1,000 AF estimated yield from treating Casto and Dry Creek Springs.
- (c) Includes additional groundwater development to support the third treatment train at the SWGWTP.