RESOLUTION NO. 2017-6-7

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING IMPORTED WATER RATES

WHEREAS, pursuant to Division II, Part II, Section 201 of Ordinance No. 104, the Board of Directors of Inland Empire Utilities Agency* (Agency) establishes, from time to time, rates for water sold or delivered by direct connections to Metropolitan Water District facilities;

WHEREAS, the Board of Directors of the Agency establishes rates for delivery of imported water supplies;

WHEREAS, the Board of Directors has determined that the levy of a per acre-foot surcharge that is required to maintain sufficient appropriated reserves and to provide for the program support and operational costs associated with the delivery of imported water supplies and water resource development and planning activities;

WHEREAS, the Board of Directors has also determined that the Agency, by written request, could levy a supplemental per acre foot surcharge for delivered imported water to fund the cost for the Water Conservation Program which includes the Conservation and Drought Charges; and

WHEREAS, modification of this policy may be included in future rate resolutions.

NOW, THEREFORE, the Board of Directors hereby RESOLVES, DETERMINES AND ORDERS the following to be effective July 1, 2017, and January 1, 2018:

Section 1. That the rates of sales of imported water are direct pass-through charged by Metropolitan for each class of water. The rates, by class of water are as follows:

(a) FOR TIER 1 FULL SERVICE UNTREATED WATER – i.e., domestic and municipal purposes:

<table>
<thead>
<tr>
<th>Period</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/1/2017 – 12/31/2017</td>
<td>$666.00 per acre foot</td>
</tr>
<tr>
<td>01/1/2018 – 12/31/2018</td>
<td>$695.00 per acre foot</td>
</tr>
</tbody>
</table>

(b) FOR TIER 2 FULL SERVICE UNTREATED WATER – i.e., domestic and municipal purposes:

<table>
<thead>
<tr>
<th>Period</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/1/2017 – 12/31/2017</td>
<td>$760.00 per acre foot</td>
</tr>
<tr>
<td>01/1/2018 – 12/31/2018</td>
<td>$781.00 per acre foot</td>
</tr>
</tbody>
</table>

The undersigned certifies that this is a true copy as on file in the permanent records of the Agency. This stamp must be in purple ink to constitute a certified copy.

[Signature]

By [Signature] Date: 6/22/17
(c) **FOR GROUND WATER STORAGE PROGRAM**

REPLENISHMENT WATER UNTREATED – This rate is available contingent upon the requirements of Metropolitan’s Administrative Code, and includes water delivered for groundwater replenishment and storage, by direct or in-lieu methods.

01/1/2017 – 12/31/2017 (NO RATE AVAILABLE)
01/1/2018 – 12/31/2018 (NO RATE AVAILABLE)

(d) **METROPOLITAN WATER SUPPLY ALLOCATION PLAN (WSAP) PENALTY RATES** – Reduced imported water allocations caused by the adoption of a WSAP will reduce a member agencies Tier 1 allocation pursuant to Resolution 2016-9-1. Penalty rates will be applied in accordance to Metropolitan's WSAP to IEUA and its member agencies if IEUA exceeds its imported water allocation from MWD and is invoiced by MWD for WSAP penalty rates, during FY 2017/18. Any such penalty rates shall be “passed through” to the appropriate agency that caused the imposition of a penalty rate by MWD.

**Section 2.** That IEUA will impose any Metropolitan rates and charges, applicable to each service connection, if invoiced by Metropolitan to IEUA during FY 2017/18.

**Section 3.** That the Metropolitan levied Capacity Charge ($/cfs) shall be as follows:

01/1/2017 – 12/31/2017 $ 8,000 per cubic foot per second (cfs)
01/1/2018 – 12/31/2018 $ 8,700 per cubic foot per second (cfs)

**Section 4.** That a minimum charge of $1,000 per month will be collected from any active Metropolitan full service industrial connection beginning 7/1/2017 through 6/30/2018.

**Section 5.** That upon the effective date of this Resolution, Resolution No. 2016-6-15 is hereby rescinded in its entirety.
Resolution No. 2017-6-7
Page 3 of 4

ADOPTED this 21st day of June, 2017.

[Signature]

Steven J. Elie
President of the Inland Empire Utilities Agency* and of the Board of Directors thereof

ATTEST:

[Signature]

Jasmin A. Hall
Secretary/Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof

*a Municipal Water District
I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO HEREBY CERTIFY that the foregoing Resolution being No. 2017-6-7, was adopted at a regular meeting on June 21, 2017, of said Agency* by the following vote:

AYES: Hall, Hofer, Parker, Elie
NOES: None
ABSTAIN: None
ABSENT: Camacho

Jasmin A. Hall
Secretary/Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof

(SEAL)

* A Municipal Water District