

ZONE 7  
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS

RESOLUTION NO. 26-80

INTRODUCED BY DIRECTOR NARUM  
SECONDED BY DIRECTOR PALMER

**Adoption of Untreated Water Rates for Calendar Years 2027, 2028, 2029, and 2030**

WHEREAS, the proposed action is in support of Strategic Goal H – Fiscal Responsibility: Operate Zone 7 Water Agency (the “Agency”) in a fiscally responsible manner. In carrying out these fiscal responsibilities, the Agency establishes rates and fees to recover the cost of service; and

WHEREAS, the Agency retained Water Resources Economics, LLC to conduct an Untreated Water Rate Study to evaluate the current rate methodology, assess alternative approaches for establishing untreated water rates, and develop recommended rates for the Untreated Water Program; and

WHEREAS, the Untreated Water Program’s outstanding reconciliation balance as of December 2025 is \$0 due to three consecutive years of favorable hydrologic and storage conditions that significantly reduced water supply costs and enabled water transfer sales in calendar years 2024 and 2025; and

WHEREAS, based on the results of the calendar year 2025 reconciliation and the evaluation of alternative rate-setting methodologies, the multi-year rate structure with a rate stabilization reserve provides the most benefit to the Untreated Water Program by providing greater rate predictability for customers and financial stability for the program; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District hereby adopt the following untreated water rate schedules for calendar years 2027, 2028, 2029, and 2030; and

FIRST, an untreated water service delivery charge, according to the schedule below, shall apply to all metered water delivered to each customer per month:

| Calendar Year                                          | 2027       | 2028       | 2029       | 2030       |
|--------------------------------------------------------|------------|------------|------------|------------|
| Effective Date                                         | 01/01/2027 | 01/01/2028 | 01/01/2029 | 01/01/2030 |
| Untreated Water Service Delivery Charge (\$/Acre Foot) | \$271      | \$290      | \$311      | \$333      |

; and

SECOND, for Temporary Untreated Water Service, an initial service establishment charge of \$125 per turnout for each new direct connection to the Zone 7 system or a system supplying the Zone 7 system; and

A monthly service charge of \$21 per turnout shall apply; and

A delivery charge, according to the schedule below, shall apply to all water delivered monthly based on total meter readings or as otherwise determined by the Agency:

| Calendar Year                                                    | 2027       | 2028       | 2029       | 2030       |
|------------------------------------------------------------------|------------|------------|------------|------------|
| Effective Date                                                   | 01/01/2027 | 01/01/2028 | 01/01/2029 | 01/01/2030 |
| Temporary Untreated Water Service Delivery Charge (\$/Acre Foot) | \$1,044    | \$1,091    | \$1,136    | \$1,182    |

; and

THIRD, for Non-Scheduled Untreated Water Service, a delivery charge, according to the schedule below shall apply per acre-foot for water delivered to each customer per month:

| Calendar Year                                                        | 2027       | 2028       | 2029       | 2030       |
|----------------------------------------------------------------------|------------|------------|------------|------------|
| Effective Date                                                       | 01/01/2027 | 01/01/2028 | 01/01/2029 | 01/01/2030 |
| Non-Scheduled Untreated Water Service Delivery Charge (\$/Acre Foot) | \$1,044    | \$1,091    | \$1,136    | \$1,182    |

; and

FOURTH, for State Water Project Article 21 Water, the delivery charge shall be equal to the Department of Water Resources' Monthly Variable Operations, Maintenance, Power and Replacement ("OMP&R") Unit Rate (dollar per acre foot) applicable to Article 21 Water for the month in which the delivery is made and Zone 7 administrative costs; and

BE IT FURTHER RESOLVED that the untreated water rate schedules adopted herein shall become effective January 1, 2027, with each annual rate remaining in effect through December 31 of the applicable calendar year, unless otherwise modified by subsequent action of the Board of Directors; and

BE IT FURTHER RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District hereby establishes a rate stabilization reserve for the Untreated Water Program, with an initial contribution consisting of unallocated calendar year 2025 water transfer sales revenue and projected fiscal year 2026 cash flow savings; and

BE IT FURTHER RESOLVED that the rate stabilization reserve shall have the following defined reserve levels:

| Reserve Levels | Definition                                                                     |
|----------------|--------------------------------------------------------------------------------|
| Minimum        | 60 days of current year planned operating costs of the Untreated Water Program |
| Target         | Two-year average of most recent drought deficit (2021-2022)                    |
| Maximum        | Four-year average of estimated untreated rate revenue                          |

; and

BE IT FURTHER RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District shall review the untreated rate schedule for calendar years 2028, 2029, and 2030, through a public process, with any adjustments to untreated rates adopted by October 2027; and

BE IT FURTHER RESOLVED that the General Manager or designee is authorized to take the necessary administrative and financial actions to implement the approved rates and Rate Stabilization Reserve.

ADOPTED BY THE FOLLOWING VOTE:

AYES: DIRECTORS BURNHAM, FIGUERS, GREEN, LEHRMAN, NARUM, PALMER, ROBERTS

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on October 21, 2026.

*Laurene K Green*

By: \_\_\_\_\_  
President, Board of Directors