



ARVIN-EDISON WATER STORAGE DISTRICT

November 17, 2021

Dear Landowner/Water User:

Enclosed are the following for the 2022 Water Year:

- Exhibit A - Notice of Fixing Surface Water Service Area Water Service Charges
- Exhibit B - Schedule of Preliminary 2022 Charges
- Exhibit C - Application of Standby Charges/Credits
- Exhibit D - Annual Application for Water Service

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David A. Nixon
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General Superintendent
David R. Grant
Controller
Fernando Ceja
District Engineer

Notice of Fixing Surface Water Service Area Water Charges (Exhibit A)

On November 9, 2021 the Arvin-Edison Water Storage District Board of Directors (Board) fixed preliminary charges and further provided notice that the final budget and water charges will be approved at the December 14, 2021 Board of Directors' meeting.

Schedule of Preliminary 2022 Charges and Application of Standby Charges/Credits (Exhibit B & C)

The Board, following a detailed review of the Preliminary 2022 Water Year Budget, has determined, on a preliminary basis, to increase the average total Water Use Charges (consisting of the Water Use Charge and Energy Charges) for the 2022 Water Year as shown below and on **Exhibit B**. The Energy Charge on the first pump lift will increase by \$3/AF, all subsequent lifts will increase \$4/AF, and the Water Use Charge will increase by \$8/AF to reflect an overall average increase in Water Use Charges of \$19/AF or approximately 10% increase. The Board has also determined that for an Unrestricted Water Year the Standby Charge will remain at \$100/acre and to allow 100 percent (100%) of the Water Use Charges to be credited towards the Standby Charge for the year. The last column of **Exhibit C** indicates how much water (AF/AC) must be delivered to completely eliminate the Standby Charge based on pumping lifts, and ranges from 0.36 AF/AC to 0.58 AF/AC. For water users who take delivery of at least these amounts, the additional cost of the Standby Charge will effectively be zero. The Board further determined that if 2022 is a Drought Year (or has a Prorate Period) and requires a restricted water allocation similar to the 2014 through 2016 Water Years, the Standby Charge will become non-refundable and be based on a sliding scale from \$5/AC to \$19/AC for each contract acre, depending on the final Prorate Period AF/AC allocation amount (see **Exhibit B**).

More specifically, the Water Use Charge would increase from \$115/AF to \$123/AF, the Energy Charge for the 1st lift will increase from \$47/AF to \$50/AF, and the Energy Charge for each additional lift(s) 2 through 6 will increase to \$21/AF/lift. A summary of the Preliminary Charges for 2022 as compared to charges for 2021 is as follows:

	<u>2022 Preliminary</u>	<u>2021</u>
Standby Charge (\$/AC) Unrestricted	\$ 100.00	\$ 100.00
Standby Charge (\$/AC) Drought Year	\$ 5 to \$19	\$ 6 to \$56
Water Use Charge (\$/AF)	\$ 123.00	\$ 115.00
Energy Charge Lift 1 (\$/AF/lift)	\$ 50.00	\$ 47.00
Energy Charge Lift(s) 2-6 (\$/AF/lift)	\$ 21.00	\$ 17.00
*GA & GP Service (\$/AC)	\$ 146.57	\$ 114.57 / \$146.57

*Final to be determined in May 2022. Collected by Kern County April '21- \$114.57; December '21- \$146.57

Also note, although not finalized at this time, the Preliminary 2022 Budget does not include an increase in GA & GP Service Charges. Any increase in the GA & GP Service Charges will likely occur in May 2022, if approved by the Board.

Annual Application for Water Service (Exhibit D)

The Annual Application must be **fully completed** and signed by the Landowner or Operating Agent (if such agent has been appointed) and **returned to the District on or before January 31, 2022.** This Annual Application is for the 2022 Water Year beginning March 1, 2022 and ending February 28, 2023. Division IV, Section 1, of the Arvin-Edison Water Storage District's "Rules and Regulations for Distribution of Water" (Rules), contains detailed information regarding the Annual Application for Water Service. If the land is leased and/or someone other than the legal owner is authorized to file the Annual Application for Water Service, and perform such other functions of an Operating Agent as are set forth in Division 111, Section 2b, of the Rules, please contact the District office and the appropriate forms for appointing an Operating Agent can be forwarded to you. **It is emphasized that if an Operating Agent has already been appointed, the appointment remains in effect until superseded or revoked.**

In addition, pursuant to Division III, Section 2e, of the Rules, the Board is further considering application of Tiered Water Pricing that may be implemented in 2022. Notice regarding Tiered pricing may not be given until after March 1, 2022 when the first water supply declaration is anticipated by the United States Department of the Interior, Bureau of Reclamation.

If you have any questions or comments, please contact us.

Sincerely,



David A. Nixon
Deputy General Manager

Enclosures

cc: Board of Directors
Scott Kuney, Esq.
Jeevan Muhar, Engineer-Manager
Watermaster(s)
Millie Kovacevich, Accounts Receivable
Grant Neumann, Land Clerk

EXHIBIT A
ARVIN-EDISON WATER STORAGE DISTRICT

**NOTICE OF FIXING SURFACE WATER SERVICE AREA
WATER SERVICE CHARGES FOR THE 2022-2023 WATER YEAR;
CONSISTING OF A "STANDBY" CHARGE AND A "WATER USE" CHARGE**

NOTICE IS HEREBY GIVEN that by Resolution No. 21-31, adopted November 9, 2021 by the Board of Directors has fixed the following preliminary charges affecting Water Service to lands in the Surface Water Service Area entitled thereto pursuant to an Agricultural Water User Contract with the District, namely:

- (a) For an Unrestricted Year a preliminary total "Standby" charge/credit for the 2022-2023 Water Year of \$100 per acre under contract pursuant to the Water User Contracts; and
- (b) For a Drought Year, the amount fixed for the "Standby" Charge for the 2022-2023 Water Year shall be based on a sliding scale from \$5 to \$19 per each contract acre; and
- (c) A preliminary total "Water Use" charge for the 2022-2023 Water Year of \$123 per acre-foot, plus an "Energy" charge of \$50 per acre-foot for the 1st lift and \$21 per acre-foot for each additional pumping lift, of water used under conditions of Water Service as set forth in the Water User Contracts; and

NOTICE IS FURTHER GIVEN that the meeting of the Board of Directors to be held at 12:00 p.m. on December 14, 2021 at the District office, 20401 East Bear Mountain Boulevard, Arvin, California, is the time and place the Board will adopt said charges as proposed or as modified and order that said charges be payable and be collected upon the terms and conditions and under conditions of Water Service set forth in said Water User Contracts, and the District's "Rules and Regulations for Distribution of Water," and order that delinquent charges and penalties shall constitute a lien upon the land as provided in said Water User Contracts, and the District's "Rules and Regulations for Distribution of Water."

NOTICE IS FURTHER GIVEN that a copy of said Resolution No. 21-31 and the District's "Rules and Regulations for Distribution of Water," is available at the District office upon request.

NOTICE IS FURTHER GIVEN that questions regarding this matter may be directed to the District at P.O. Box 175, Arvin, California, 93203-0175, or by telephone at (661) 854-5573.

Dated: November 9, 2021



BOARD OF DIRECTORS OF THE
ARVIN-EDISON WATER STORAGE DISTRICT

By: _____

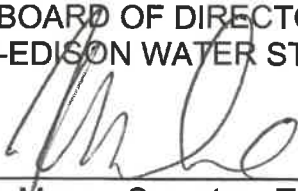

John C. Moore, Secretary-Treasurer
of the Board of Directors

EXHIBIT B
ARVIN-EDISON WATER STORAGE DISTRICT

SCHEDULE OF PRELIMINARY WATER YEAR 2022 CHARGES

Unrestricted Allocation

Drought Year (Prorate Period)

Standby - \$/ac		\$100.00	
Water Use - \$/AF			
<u># Lifts</u>	<u>Water</u>	<u>Energy</u>	<u>Total</u>
1	\$123.00	\$50.00	\$173.00
2	\$123.00	\$71.00	\$194.00
3	\$123.00	\$92.00	\$215.00
4	\$123.00	\$113.00	\$236.00
5	\$123.00	\$134.00	\$257.00
6	\$123.00	\$155.00	\$278.00
In Lieu Charges - \$/AF			
	5(a) Water Use	\$	173.00
	6(b) O,M&R	\$	36.74
Miscellaneous Water			
Cattle Water			\$75/mo.
Construction Water			\$300/day
General Admin & General Project Service Charge			
GA			\$3.48/Acre
GA/GP			\$146.57/Acre
Ranchettes			\$104.39/Acre
Sub Acre			\$29.90/parcel

*Standby - \$/ac		\$5 to \$19 varies on 1.1 AF/AC to 1.0 AF/AC	
Water Use - \$/AF			
<u># Lifts</u>	<u>Water</u>	<u>Energy</u>	<u>Total</u>
1	\$123.00	\$50.00	\$173.00
2	\$123.00	\$71.00	\$194.00
3	\$123.00	\$92.00	\$215.00
4	\$123.00	\$113.00	\$236.00
5	\$123.00	\$134.00	\$257.00
6	\$123.00	\$155.00	\$278.00
In Lieu Charges - \$/AF			
	5(a) Water Use	\$	173.00
	6(b) O,M&R	\$	36.74
Miscellaneous Water			
Not available during prorate periods			
General Admin & General Project Service Charge			
GA			\$3.48/Acre
GA/GP			\$146.57/Acre
Ranchettes			\$104.39/Acre
Sub Acre			\$29.90/parcel

*Prorate Period Range (AF/AC)

AF/AC	1.6	1.5	1.4	1.3	1.2	1.1	1.0
\$/AC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ 19

EXHIBIT C

ARVIN-EDISON WATER STORAGE DISTRICT APPLICATION OF STANDBY CHARGES/CREDITS

PROPOSED 2022 WATER SERVICE COSTS								
# Lifts	% Water	AF Basis	Cumulative	\$/AF			Standby Credits	
				Water	Energy	Total	\$/AC	AF
1	18.9%	22,639	120,000	\$123.00	\$50.00	\$173.00	\$100	0.58
2	32.3%	38,816	97,361	\$123.00	\$71.00	\$194.00	\$100	0.52
3	24.6%	29,538	58,546	\$123.00	\$92.00	\$215.00	\$100	0.47
4	15.9%	19,113	29,008	\$123.00	\$113.00	\$236.00	\$100	0.42
5	6.0%	7,166	9,894	\$123.00	\$134.00	\$257.00	\$100	0.39
6	2.3%	2,728	2,728	\$123.00	\$155.00	\$278.00	\$100	0.36
	100.0%	120,000						

*Prorate Period Range (AF/AC)								
AF/AC	1.6	1.5	1.4	1.3	1.2	1.1	1.0	
\$/AC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ 19	

Note:

The last column indicates the equivalent water use so that the remaining Standby Charge is effectively zero (under Unrestricted Use assumption).

Standby column does NOT reflect Prorate Period charge assumptions.

EXHIBIT “D”

(WILL BE FORTHCOMING VIA US MAIL)