

ORDINANCE NO. 2019- 02

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY WATER AUTHORITY SETTING RATES AND CHARGES FOR THE DELIVERY AND SUPPLY OF WATER, USE OF FACILITIES, AND PROVISION OF SERVICES

WHEREAS, Subdivision (11) of Section 5 of the County Water Authority Act provides, in part that, the Authority's Board of Directors, "as far as practicable, shall provide each of its member agencies with adequate supplies of water to meet their expanding and increasing needs;" and

WHEREAS, Subdivision (13) of Section 5 of the County Water Authority Act provides that the Authority may: "Fix, revise, and collect rates or other charges for the delivery of water, use of any facilities or property, or provision of services. In fixing rates, the Board may establish reasonable classifications among different classes and conditions of service, but rates shall be the same for similar classes and conditions of service"; and

WHEREAS, Subdivision (j) of Section 7 of the County Water Authority Act provides in part, that the Authority's Board of Directors, "as far as practicable, shall fix such rate or rates for water as will result in revenues which will pay the operating expenses of the Authority, provide for required maintenance, and provide for the payment of the interest and principal of the bonded debt;" and

WHEREAS, the Long-Range Financing Plan adopted by the Board of Directors contemplates the establishment of sufficient rates and charges, when considered along with taxes and other revenues of the Authority, to provide revenues for accomplishment of the Authority's purposes and programs as determined by the Board of Directors; and

WHEREAS, pursuant to the County Water Authority Act, the Board of Directors has adopted ordinances and resolutions levying and fixing property taxes, water standby availability charges and other rates and charges for delivery and supply of water, use of facilities and provision of other services by the Authority, including, without limitation, a System Capacity Charge, water Treatment Capacity Charge, Annexation Application Fee, an Infrastructure Access Charge, a Readiness-to-Serve Charge and water rates and charges; and

WHEREAS, the Board of Directors, upon recommendation of the Rate Study Subcommittee and the Fiscal Policy Committee, enacted Ordinance 2002-03, "An Ordinance of the Board of Directors of the San Diego County Water Authority Setting Rates and Charges for the Delivery and Supply of Water, Use of Facilities and Provision of Services", which established a new structure for water rates and charges; and

WHEREAS, the rate structure is incorporated into the Water Authority's Administrative Code as section 5.00.050 of chapter 5.00; and

WHEREAS, the Board of Directors, on June 28, 2018, adopted Ordinance No. 2018-02 setting rates and charges currently in effect; and

WHEREAS, since 2002, the Water Authority board of directors has regularly reviewed its budget, fiscal policies, revenue requirements, cost allocations, rates, and charges, and has adopted

ordinances and resolutions establishing appropriate rates and charges for delivery and supply of water, use of facilities, and provision of services; and

WHEREAS, the adoption of this ordinance is exempt from CEQA as provided by statute under Public Resources Code §21080(b)(8) because it involves the establishment of water rates, tolls, fares, or other charges for the purpose of meeting operating expenses, including employee wages and benefits; purchasing or leasing supplies, equipment, or materials; meeting financial reserve needs and requirements; or obtaining funds for capital projects within existing service areas. The General Manager is, therefore, authorized to file a Notice of Exemption pursuant to Public Resources Code §21152(b) and §15061(d) of the State CEQA Guidelines (Title 14, Chapter 3, California Code of Regulations).

WHEREAS, the Finance Department has presented reports dated May 15, 2019 and June 19, 2019 to the Administrative and Finance Committee (the "Reports") along with a Cost of Service Rate Study Report dated June 2019 by Carollo Engineers (the "Study") describing the proposed rates and charges to be collected from the member agencies; and

WHEREAS, on June 27, 2019 a duly noticed public hearing was held by the Administrative and Finance Committee which thereafter recommended the adjustments to the Water Authority's rates and charges as set forth in this ordinance; and

WHEREAS, the Board has considered the recommendations of the Administrative and Finance Committee and is fully informed; and

WHEREAS, the Board of Directors has considered its budget, fiscal policies, and prior rate setting actions, the information contained in the Report and the Study, the testimony and other evidence presented during the public hearing, and the recommendations of the Administrative and Finance Committee; and

WHEREAS, the Board of Directors hereby makes the following legislative findings and determinations:

1. The foregoing recitals are true and correct;
2. The rates and charges as proposed and recommended in the Reports are exempt from the requirements of the California Environmental Quality Act pursuant to Public Resources Code Section 21080(b)(8);
3. Any and all protests, if any, to the rates and charges as proposed and recommended in the Reports are overruled;
4. The Reports and Study are approved;
5. The rates and charges as proposed and recommended in the Report and Study are reasonably expected to generate revenues that meet, but do not exceed, the Authority's revenue requirements to fund its capital, operation, maintenance, and other costs, and the allocation of those costs to the member agencies and others through the rates and charges are reasonable, fair, and proper.

NOW, THEREFORE, the Board of Directors of the San Diego County Water Authority does ordain as follows:

1. The Authority's revenues from taxes, water rates and charges consists of: ad valorem property taxes, including payments of member agencies in lieu of taxes; a standby availability charge levied pursuant to Section 5.2 of the County Water Authority Act, including payments of such charges pursuant to Section 5.3 of the County Water Authority Act; an infrastructure access charge levied pursuant to Section 5.00.050 (c) of the Administrative Code; a System Capacity Charge and a water Treatment Capacity Charge levied pursuant to Section 5.9 of the County Water Authority Act and Ordinance No. 2019-__ ; and water rates and charges having the following components as described in this ordinance: Customer Service, Storage, Transportation, Treatment and Supply.

2. Ad valorem taxes, the standby availability charge and the system and water treatment capacity charges are not affected by this ordinance. All other water rates and charges shall continue to be paid pursuant to existing authority until increased or adjusted as provided in this ordinance.

3. Commencing January 1, 2020, the amount of the Infrastructure Access Charge to be paid monthly by each member agency of the Authority, shall be \$3.66 per equivalent meter within the territory of the member agency and determined according to Table 1 below.

Table 1 - 2020 Infrastructure Access Charge Allocation

| | <i>IAC Equivalent Meters (ME) as of 12/31/18¹</i> | <i>Monthly Rate (\$/ME)</i> | CY2020 - Monthly | CY2020 - Annual |
|----------------------------|--|---------------------------------|-------------------------|------------------------|
| Carlsbad M.W.D. | 36,308 | \$ 3.66 | \$ 132,888 | \$1,594,656 |
| Del Mar, City of | 2,493 | 3.66 | 9,125 | 109,500 |
| Escondido, City of | 35,405 | 3.66 | 129,583 | 1,554,996 |
| Fallbrook P.U.D. | 11,877 | 3.66 | 43,470 | 521,640 |
| Helix W.D. | 65,266 | 3.66 | 238,874 | 2,866,488 |
| Lakeside W.D. | 8,289 | 3.66 | 30,338 | 364,056 |
| Oceanside, City of | 57,465 | 3.66 | 210,322 | 2,523,864 |
| Olivenhain M.W.D. | 28,267 | 3.66 | 103,458 | 1,241,496 |
| Otay W.D. | 59,927 | 3.66 | 219,333 | 2,631,996 |
| Padre Dam M.W.D. | 26,849 | 3.66 | 98,268 | 1,179,216 |
| Pendleton Military Reserve | - | 3.66 | - | - |
| Poway, City of | 17,058 | 3.66 | 62,433 | 749,196 |
| Rainbow M.W.D. | 14,665 | 3.66 | 53,674 | 644,088 |
| Ramona M.W.D. | 10,283 | 3.66 | 37,636 | 451,632 |
| Rincon Del Diablo M.W.D. | 10,096 | 3.66 | 36,952 | 443,424 |
| San Diego, City of | 393,836 | 3.66 | 1,441,440 | 17,297,280 |
| San Dieguito W.D. | 15,061 | 3.66 | 55,124 | 661,488 |
| Santa Fe I.D. | 10,522 | 3.66 | 38,511 | 462,132 |
| Sweetwater Authority | 43,089 | 3.66 | 157,706 | 1,892,472 |
| Vallecitos W.D. | 27,190 | 3.66 | 99,516 | 1,194,192 |
| Valley Center M.W.D. | 14,682 | 3.66 | 53,737 | 644,844 |
| Vista I.D. | 35,862 | 3.66 | 131,255 | 1,575,060 |
| Yuima M.W.D. | 604.00 | 3.66 | 2,211 | 26,532 |
| Total IAC Charges | 925,094 | | \$ 3,385,854 | \$ 40,630,248 |

¹Equivalent meters rounded to nearest whole meter; annual and monthly charges rounded to the nearest dollar.

4. Effective January 1, 2020, the Customer Service Charge is fixed at \$25,600,000. Commencing January 1, 2020, the amount of the monthly Customer Service Charge to be paid by each member agency shall be determined according to Table 2 below.

Table 2 - Customer Service Charge Allocation

| Customer Service Charge | 3-Year Average¹ | CY2020 - Monthly | CY2020 - Annual |
|---------------------------------------|-----------------------------------|-------------------------|------------------------|
| Carlsbad M.W.D. | 3.17% | \$ 67,732 | \$ 812,784 |
| Del Mar, City of | 0.24% | 5,034 | 60,406 |
| Escondido, City of | 4.32% | 92,234 | 1,106,802 |
| Fallbrook P.U.D. | 2.28% | 48,548 | 582,566 |
| Helix W.D. | 6.15% | 131,190 | 1,574,270 |
| Lakeside W.D. | 0.63% | 13,484 | 161,803 |
| Oceanside, City of | 5.13% | 109,541 | 1,314,490 |
| Olivenhain M.W.D. | 4.28% | 91,372 | 1,096,454 |
| Otay W.D. | 6.65% | 141,833 | 1,701,986 |
| Padre Dam M.W.D. | 2.29% | 48,862 | 586,333 |
| Pendleton Military Reserve | 0.02% | 339 | 4,059 |
| Poway, City of | 2.18% | 46,419 | 557,028 |
| Rainbow M.W.D. | 4.33% | 92,427 | 1,109,122 |
| Ramona M.W.D. | 1.21% | 25,889 | 310,656 |
| Rincon Del Diablo M.W.D. | 1.23% | 26,206 | 314,463 |
| San Diego, City of | 38.32% | 817,484 | 9,809,803 |
| San Dieguito W.D. | 0.85% | 18,100 | 217,197 |
| Santa Fe I.D. | 1.57% | 33,429 | 401,142 |
| Sweetwater Authority | 2.29% | 48,843 | 586,113 |
| Vallecitos W.D. | 2.96% | 63,125 | 757,493 |
| Valley Center M.W.D. | 5.05% | 107,751 | 1,293,007 |
| Vista I.D. | 3.68% | 78,424 | 941,078 |
| Yuima M.W.D. | 1.15% | 24,531 | 294,366 |
| Contract Water | 0.03% | 549 | 6,577 |
| Total Customer Service Charges | 100% | \$ 2,133,346 | \$ 25,600,000 |

¹Three-year rolling average of M&I, SAWR and agricultural MWD deliveries (excludes wheeled water) based on FY16-FY18 period, rounded to the nearest acre-foot. Annual and monthly charges are rounded to the nearest dollar.

5. Effective January 1, 2020, the Storage Charge is fixed at \$65,000,000. Commencing January 1, 2020 the amount of the monthly Storage Charge to be paid by each member agency shall be determined according to Table 3 below.

Table 3 - 2020 Storage Charge Allocation

| Storage Charge | 3-Year Average¹ | CY2020 - Monthly | CY2020 - Annual |
|------------------------------|-----------------------------------|-------------------------|------------------------|
| Carlsbad M.W.D. | 3.45% | \$ 186,931 | \$ 2,243,167 |
| Del Mar, City of | 0.26% | 13,893 | 166,712 |
| Escondido, City of | 4.15% | 224,740 | 2,696,869 |
| Fallbrook P.U.D. | 1.71% | 92,636 | 1,111,625 |
| Helix W.D. | 6.68% | 362,064 | 4,344,760 |
| Lakeside W.D. | 0.69% | 37,213 | 446,554 |
| Oceanside, City of | 5.50% | 298,101 | 3,577,208 |
| Olivenhain M.W.D. | 4.63% | 250,901 | 3,010,811 |
| Otay W.D. | 7.23% | 391,437 | 4,697,239 |
| Padre Dam M.W.D. | 2.44% | 132,300 | 1,587,589 |
| Pendleton Military Reserve | 0.02% | 934 | 11,203 |
| Poway, City of | 2.36% | 127,616 | 1,531,382 |
| Rainbow M.W.D. | 2.58% | 139,676 | 1,676,106 |
| Ramona M.W.D. | 1.04% | 56,515 | 678,177 |
| Rincon Del Diablo M.W.D. | 1.33% | 71,963 | 863,555 |
| San Diego, City of | 41.61% | 2,253,761 | 27,045,122 |
| San Dieguito W.D. | 0.92% | 49,953 | 599,433 |
| Santa Fe I.D. | 1.70% | 92,258 | 1,107,096 |
| Sweetwater Authority | 2.49% | 134,800 | 1,617,589 |
| Vallecitos W.D. | 3.00% | 162,560 | 1,950,716 |
| Valley Center M.W.D. | 1.93% | 104,479 | 1,253,742 |
| Vista I.D. | 3.98% | 215,745 | 2,588,938 |
| Yuima M.W.D. | 0.30% | 16,201 | 194,407 |
| Contract Water | | - | - |
| Total Storage Charges | 100% | \$ 5,416,677 | \$ 65,000,000 |

¹Three-year rolling average of firm, non-agricultural MWD deliveries based on FY16-FY18 period, rounded to the nearest acre-foot. Annual and monthly charges are rounded to the nearest dollar.

6. Effective January 1, 2020, the Supply Reliability Charge is fixed at \$37,430,000. Commencing January 1, 2020 the amount of the monthly Supply Reliability Charge to be paid by each member agency shall be determined according to Table 4 below.

Table 4 - Supply Reliability Charge

| | <i>5-Year Average¹</i> | CY2020 - Monthly | CY2020 - Annual |
|---|-----------------------------------|---------------------|----------------------|
| Carlsbad M.W.D. | 3.55% | \$ 110,815 | \$ 1,329,773 |
| Del Mar, City of | 0.24% | 7,491 | 89,891 |
| Escondido, City of | 4.16% | 129,909 | 1,558,903 |
| Fallbrook P.U.D. | 1.77% | 55,362 | 664,337 |
| Helix W.D. | 6.86% | 213,954 | 2,567,448 |
| Lakeside W.D. | 0.70% | 21,793 | 261,513 |
| Oceanside, City of | 5.30% | 165,220 | 1,982,632 |
| Olivenhain M.W.D. | 4.55% | 141,981 | 1,703,771 |
| Otay W.D. | 7.06% | 220,209 | 2,642,500 |
| Padre Dam M.W.D. | 2.40% | 74,711 | 896,531 |
| Pendleton Military Reserve | 0.01% | 449 | 5,381 |
| Poway, City of | 2.45% | 76,505 | 918,057 |
| Rainbow M.W.D. | 2.48% | 77,503 | 930,026 |
| Ramona M.W.D. | 1.07% | 33,399 | 400,783 |
| Rincon Del Diablo M.W.D. | 1.33% | 41,602 | 499,220 |
| San Diego, City of | 41.21% | 1,285,410 | 15,424,919 |
| San Dieguito W.D. | 1.06% | 32,959 | 395,498 |
| Santa Fe I.D. | 1.94% | 60,461 | 725,528 |
| Sweetwater Authority | 2.68% | 83,652 | 1,003,816 |
| Vallecitos W.D. | 3.14% | 97,914 | 1,174,965 |
| Valley Center M.W.D. | 1.90% | 59,213 | 710,549 |
| Vista I.D. | 3.86% | 120,412 | 1,444,937 |
| Yuima M.W.D. | 0.23% | 7,207 | 86,474 |
| Contract Water | 0.03% | 1,046 | 12,549 |
| Total Supply Reliability Charges | 100% | \$ 3,119,177 | \$ 37,430,000 |

¹Five-year rolling average of firm, non-agricultural MWD deliveries based on FY14-FY18 period, rounded to the nearest acre-foot. Annual and monthly charges are rounded to the nearest dollar.

7. Effective January 1, 2020, the Transportation Rate is fixed at \$132 per acre-foot of water delivered by the Authority through Authority facilities. Member agencies shall pay the Transportation Rate for deliveries of Water Authority supplies in accordance with the procedures and processes of the Administrative Code relating to billing and payment of the Municipal and Industrial Water Rate. Payment of the Transportation Rate in connection with the wheeling of third-party water (non-Water Authority supplies) will be determined by an agreement approved by the Board of Directors. Wheeling of third-party water is also subject to a separate administration fee as stated in the agreement.

8. Effective January 1, 2020, the Melded Treatment Rate is fixed at \$280 per acre-foot.

9. (a) Each member agency shall reimburse the Authority on a per-acre foot of water delivered basis, except as otherwise provided in subdivisions (b) and (c), for rates, fees and charges of the Metropolitan Water District of Southern California, the Imperial Irrigation District, or other sources of supply that may become available to the Authority (collectively the Supply Charges). It is the intent of the Authority to charge the melded rate for supply representing the cost of water to the Authority for the appropriate class of service. Effective January 1, 2020, the Melded Untreated Supply Rate (Melded Supply Rate) is \$925 per acre-foot to reflect the cost of the supply of untreated municipal and industrial water to the Water Authority.

(b) Effective January 1, 2020 as part of the Supply Charges, each member agency shall pay to the Authority a MWD Capacity Charge determined according to the method set forth in Table 5 below.

Table 5 - Calendar Year 2020 MWD Capacity Charge Allocation (Capacity Charge)

| | <i>5-year average share¹</i> | CY2020 – Monthly ¹ | CY2020 – Annual ¹ |
|----------------------------------|---|-------------------------------|------------------------------|
| Carlsbad M.W.D. | 3.34% | \$ 22,298 | \$ 267,570 |
| Del Mar, City of | 0.21% | 1,385 | 16,609 |
| Escondido, City of | 3.95% | 26,398 | 316,772 |
| Fallbrook P.U.D. | 3.05% | 20,371 | 244,452 |
| Helix W.D. | 6.22% | 41,572 | 498,862 |
| Lakeside W.D. | 1.17% | 7,837 | 94,044 |
| Oceanside, City of | 4.82% | 32,241 | 386,886 |
| Olivenhain M.W.D. | 4.13% | 27,618 | 331,408 |
| Otay W.D. | 7.31% | 48,881 | 586,571 |
| Padre Dam M.W.D. | 2.77% | 18,519 | 222,218 |
| Pendleton Military Reserve | 0.01% | 89 | 1,066 |
| Poway, City of | 2.02% | 13,498 | 161,965 |
| Rainbow M.W.D. | 4.94% | 32,992 | 395,893 |
| Ramona M.W.D. | 1.27% | 8,506 | 102,068 |
| Rincon Del Diablo M.W.D. | 1.23% | 8,194 | 98,326 |
| San Diego, City of | 34.21% | 228,653 | 2,743,834 |
| San Dieguito W.D. | 1.04% | 6,977 | 83,721 |
| Santa Fe I.D. | 2.11% | 14,114 | 169,361 |
| Sweetwater Authority | 2.36% | 15,795 | 189,538 |
| Vallecitos W.D. | 3.04% | 20,303 | 243,633 |
| Valley Center M.W.D. | 5.88% | 39,296 | 471,544 |
| Vista I.D. | 3.42% | 22,845 | 274,135 |
| Yuima M.W.D. | 1.48% | 9,915 | 118,974 |
| Total MWD Capacity Charge | 100% | \$ 668,297 | \$ 8,019,449 |

¹Five-year rolling average of firm, non-agricultural MWD deliveries based on FY14-FY18 period, rounded to the nearest acre-foot. Annual and monthly charges are rounded to the nearest dollar.

(c) Effective July 1, 2019 as part of the Supply Charges, each member agency shall pay a MWD Readiness-to-Serve Charge determined according to Table 6 below.

Table 6 - Readiness-to-Serve Charge Allocation

| | 10-yr avg deliveries (AF) ¹ | 10-yr avg deliveries ¹ | FY20 RTS Charge | Net Stand-By Charge Credits ³ | FY20 RTS Net Charge ² | CY2020 - Monthly |
|-----------------------------|--|-----------------------------------|----------------------|--|----------------------------------|---------------------|
| Carlsbad M.W.D. | 15,909 | 3.54% | \$ 909,275 | \$ (400,751) | \$ 508,524 | \$ 42,377 |
| Del Mar, City of | 1,061 | 0.24% | 60,634 | (24,915) | 35,719 | 2,977 |
| Escondido, City of | 18,369 | 4.09% | 1,049,849 | (231,768) | 818,080 | 68,174 |
| Fallbrook P.U.D. | 10,449 | 2.33% | 597,233 | (286,799) | 310,434 | 25,870 |
| Helix W.D. | 27,850 | 6.20% | 1,591,732 | (783,926) | 807,806 | 67,318 |
| Lakeside W.D. ³ | 3,191 | 0.71% | 182,404 | (164,361) | 18,043 | 1,504 |
| Oceanside, City of | 23,410 | 5.21% | 1,337,991 | (673,140) | 664,851 | 55,405 |
| Olivenhain M.W.D. | 19,486 | 4.34% | 1,113,708 | (397,908) | 715,800 | 59,651 |
| Otay W.D. | 30,423 | 6.77% | 1,738,808 | (947,356) | 791,452 | 65,955 |
| Padre Dam M.W.D. | 10,959 | 2.44% | 626,362 | (529,089) | 97,273 | 8,107 |
| Pendleton Military Reserve | 60 | 0.01% | 3,417 | (42) | 3,375 | 282 |
| Poway, City of | 10,894 | 2.42% | 622,659 | (283,600) | 339,059 | 28,255 |
| Rainbow M.W.D. | 18,178 | 4.04% | 1,038,959 | (535,205) | 503,754 | 41,980 |
| Ramona M.W.D. | 5,348 | 1.19% | 305,634 | (400,284) | (94,650) | (7,887) |
| Rincon Del Diablo M.W.D. | 5,891 | 1.31% | 336,695 | (312,932) | 23,763 | 1,981 |
| San Diego, City of | 174,051 | 38.73% | 9,947,793 | (4,432,835) | 5,514,958 | 459,580 |
| San Dieguito W.D. | 3,478 | 0.77% | 198,787 | (167,340) | 31,447 | 2,621 |
| Santa Fe I.D. | 6,921 | 1.54% | 395,590 | (152,700) | 242,890 | 20,241 |
| Sweetwater Authority | 9,823 | 2.19% | 561,410 | (429,407) | 132,003 | 11,001 |
| Vallecitos W.D. | 15,055 | 3.35% | 860,460 | (438,152) | 422,308 | 35,193 |
| Valley Center M.W.D. | 20,670 | 4.60% | 1,181,381 | (661,742) | 519,639 | 43,304 |
| Vista I.D. | 15,115 | 3.36% | 863,877 | (414,942) | 448,935 | 37,412 |
| Yuima M.W.D. | 2,406 | 0.54% | 137,488 | (107,731) | 29,757 | 2,480 |
| Contract Water | 425 | 0.09% | 24,266 | - | 24,266 | 2,023 |
| Total MWD RTS Charge | 449,422 | 100% | \$ 25,686,410 | \$(12,776,925) | \$ 12,909,486 | \$ 1,075,804 |

¹10-year rolling average of firm MWD deliveries based on FY09-FY18 period and rounded to the nearest acre-foot. Annual and monthly charges are rounded to nearest dollar.

²Net of RTS Charge and stand-by charge credits.

³Lakeside W.D. is allocated 23.83% of Padre Dam M.W.D.'s deliveries prior to January 2008. Lakeside W.D.'s deliveries after January 2008 are being metered separately from Padre Dam M.W.D.'s deliveries. Lakeside W.D. is allocated 23.87% of Padre Dam's M.W.D.'s stand-by charge credits based upon parcel count.

(d) This section shall be administered in accordance with the Report approved by this ordinance.

10. The Transitional Special Agricultural Water Rate Program was extended until December 31, 2020. The untreated TSAWR will be set to MWD's Tier 1 rate and increase to \$755/AF on January 1, 2020. The treated TSAWR will increase to \$1,035/AF on January 1, 2020.

11. Effective July 1, 2019, the Annexation Application Fee will be set at \$10,749 per application.

12. For the purposes of this ordinance, including the tables, the City of National City and the South Bay Irrigation District are collectively referred to as Sweetwater Authority. Any reference in this ordinance to Sweetwater Authority as a member agency shall be construed as a reference to the City of National City and the South Bay Irrigation District.

13. This ordinance shall be effective upon adoption. In lieu of publication of the text of this ordinance, the Clerk of the Board may publish a summary prepared by the General Counsel.

14. The provisions of this ordinance shall prevail over any provisions of the Administrative Code relating to rates and charges to the extent of any conflict. All existing rates and charges shall continue in effect until adjusted as provided in this ordinance.

15. To the greatest extent possible the provisions of this ordinance shall be construed to be compatible with the provisions of Section 8.2 (e) of the Agreement Between the San Diego County Water Authority and the City of San Diego for the Emergency Storage Project (Joint Use of Lake Hodges Dam and Reservoir and of Section 8.2 (e) of the Agreement Between the San Diego County Water Authority and the City of San Diego for the Emergency Storage Project (Expansion of San Vicente Reservoir; however, the contract provisions shall control in the event of a conflict).

16. For the purposes of Section 6 of this ordinance, water delivered by the Authority through the following turnouts is deemed not to be "water delivered by the Authority through Authority facilities" – DeLuz 1, Fallbrook 3, Fallbrook 6, Rainbow 1, Rainbow 8, Rainbow 9 and Rainbow 10.

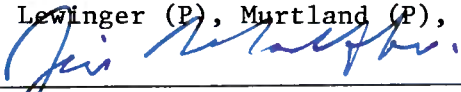
PASSED, APPROVED AND ADOPTED, this 27th day of June, 2019 by the following vote:

AYES: Unless noted below all Directors voted aye.

NOES: None.

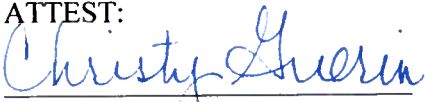
ABSTAIN: None.

ABSENT: Heinrichs, Katz, Leonard, Lewinger (P), Murtland (P), and Simpson.



Jim Madaffer, Chair

ATTEST:



Christy Guerin, Secretary

I, Melinda Nelson, Clerk of the Board of the San Diego County Water Authority, certify that the vote shown above is correct and this Ordinance 2019- 02 was duly adopted at the meeting of the Board of Directors on the date stated above.



Melinda Nelson
Clerk of the Board