

**ARCH CAPE DOMESTIC WATER SUPPLY DISTRICT
SURPLUS WATER POLICY # 2024-0919 WD**

OBJECTIVE. To generate a source of revenue in addition to rate-payer fees to fund District operations and to minimize costs to rate payers.

STATUTORY AUTHORITY.

- **ORS 264.110.** A domestic water supply district may be formed for the purpose of supplying inhabitants of the district with water for domestic purposes as provided by this chapter; and, in connection therewith, may supply, furnish and sell for any use any surplus water over and above the domestic needs of its inhabitants to persons living outside the district, to other water districts, school districts or other local governments as defined in ORS 174.116.
- **ORS 264.310.** A district shall charge consumers for the water furnished and fix and collect the rates therefor. Rates charged may be fixed and classified according to the type of use and according to the amount of water used. Any contract entered into by a district with persons other than domestic users shall provide for immediate cancellation whenever no surplus supply of water exists over and above any and all demands of domestic users. A district also may contract with any person, or enter into intergovernmental agreements under ORS chapter 190, to supply, furnish and sell surplus water on such terms and conditions and at such rates as the board of commissioners considers advisable.

POLICY.

1. “Surplus Water” means water that the District Manager has determined will not be needed by District ratepayers in the foreseeable future for domestic uses such as drinking, household use, or irrigation.
2. Surplus Water may be sold to individuals, farms, businesses, water distribution companies, or other municipalities.
3. The District Manager is authorized to take the following actions:
 - A. After evaluating the amount of currently available water and projected demands for available water by current customers based on historical and current data, estimate the maximum amount of Surplus Water available for purchase.
 - B. Enter into agreements for the purchase of Surplus Water, subject to the minimum terms and conditions established by law and District policy. Any agreement for the purchase of Surplus Water expected to exceed 20,000 gallons in the aggregate requires specific approval of the Board.
 - C. Determine the time, date, and location to be used to deliver purchased Surplus Water, and to coordinate the same.

4. Water delivery shall take place at the fire hydrant designated by the District Manager. Transportation of purchased Surplus Water is the responsibility of the purchaser, who assumes all risks associated with transport and use of the Surplus Water after delivery.
5. Unless otherwise agreed to by the Board, payment in full is due at the time of delivery.
6. Pricing:
 - A. Effective upon adoption of this Policy, the Non-Discounted Price for Surplus Water shall be \$.04/gallon. At least annually, the Board shall review the rate and confirm or adjust by resolution.
 - B. Effective upon adoption of this Policy, the Non-Discounted Access and Loading Fee for Surplus Water shall be \$ 250.00. At least annually, the Board shall review the fee and confirm or adjust by resolution.
 - C. The Board may establish a Discounted Price per gallon and/or a Discounted Access and Loading Fee for one-time purchasers of more than 20,000 gallons of Surplus Water, or for purchasers who contract to purchase a fixed amount at intervals over an extended period of time.
 - D. In no event shall prices charged for Surplus Water be less than prices paid by rate payers using 20,000 gallons or less per month.
 - E. An Access and Loading Fee will be charged for each delivery, regardless of volume.
 - F. The minimum amount per purchase of Surplus Water will be \$500, including the Access and Loading Fee.

W.E. Campbell III

William E. Campbell III, Chair

Date	Policy	Action	Signatory
September 19, 2024	Policy #2024-0919 WD	Initial Policy Adopted	W.E. Campbell, III