

SECOND AMENDMENT TO AGREEMENT BETWEEN EL DORADO IRRIGATION DISTRICT AND CITY OF PLACERVILLE FOR A WATER SUPPLY

This Second Amendment to the Agreement Between El Dorado Irrigation District and the City of Placerville, made and entered into effective January 11, 2016 (hereafter referred to as the "Agreement"), and first amended effective November 9, 2020, is hereby second amended as follows:

Paragraphs 1, 4(a), and 4(c) are hereby amended to read as follows, with deletions shown in ~~strike through~~ and additions shown in underline:

1. This Agreement shall be effective as of its date and shall continue in effect initially through December 31, ~~2025~~ 2028 and from year to year thereafter. Beginning in ~~2020~~ 2028, it is subject to renegotiation upon written notice given by either party at least ninety (90) days before the annual renewal date.
4. a) The District shall invoice the City, and the City shall pay the District, for all water delivered. Payment shall be at the District's adopted Municipal Rate, as established and modified by the District's Board of Directors from time to time based upon the net cost of service to the City and rate-setting methodology established in the District's approved ~~2020 Cost-of-Services Study Rate Study Update~~ 2023 Cost-of-Services Rate Study. The Municipal Rates in effect from the Effective Date through December 31, ~~2025~~ 2028 shall be as provided in Exhibit 1. The District shall invite the City to participate in the development of every modification to the Municipal Rate. The effective date of any District-adopted modification to the Municipal Rate shall be ~~ninety (90) days after its adoption, to allow the City time to adjust its rate structure~~ July 1, 2024, unless the City agrees in writing to waive or shorten the time.
- c) Within thirty (30) days after the close of each calendar quarter, the City shall submit a written report notifying the District of all new or enlarged water connections in the City's service area during the prior quarter. Simultaneously with the report, the City shall include full payment of Facility Capacity Charges (FCCs) to the District for all such new or enlarged water connections. The FCC charges paid by the City shall be based on the District's duly adopted FCCs applicable to the portions of the District's service area that adjoin the City's service area, as amended from time to time. The current FCCs are set forth in Exhibit 2. Beginning ~~July~~ October 1, ~~2024~~ 2024, and each year on the same date thereafter, the FCCs paid by the City shall increase proportionally to the increase in FCCs paid by all other District rate payers, typically an amount equal to the annual change in the Engineering News Record ~~20-city average National~~ Construction Cost Index. Additionally, the District shall invite the City to participate in the development of every future modification to the FCCs paid by the City, and the parties specifically agree to renegotiate the FCCs paid by the City upon completion of the District's ~~2024~~ 2024 FCCs update, ~~estimated to which will~~ be completed in the summer of ~~2024~~ 2024. The effective date of any District-adopted modification to the FCCs paid by the City as a result of the ~~2024~~ 2024 update shall be ninety (90) days after their adoption, to allow the City time to adjust its own FCC structure, unless the City agrees in writing to waive or shorten the time.

Exhibits 1 and 2 to the Agreement are hereby replaced in their entirety with the Exhibits 1 and 2 attached hereto and incorporated herewith. Except as expressly amended herein, all terms and conditions of the Agreement between El Dorado Irrigation District and the City of Placerville, effective January 11, 2016, and first amended November 9, 2020, remain in full force and effect. This Second Amendment is effective June 10, 2024.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first hereinbefore written.

CITY OF PLACERVILLE



Jackie Neau
Mayor

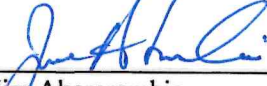


M. Cleve Morris
City Manager

EL DORADO IRRIGATION DISTRICT

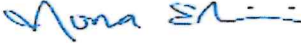


Alan Day
President



Jim Abercrombie
General Manager

APPROVED AS TO FORM:

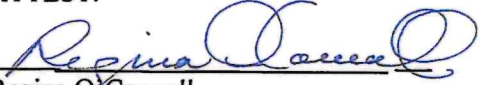


Mona Ebrahimi
City Attorney



Brian Poulsen
General Counsel

ATTEST:



Regina O'Connell
City Clerk

Exhibit 1

	Municipal Water Rate					
	2023	2024	2025	2026	2027	2028
	5%	12%	12%	12%	12%	12%
Meter Size Inches	Bi-Monthly Base Charge					
2"	\$276.19	\$309.33	\$346.45	\$388.03	\$434.59	\$486.74
3"	\$587.46	\$657.96	\$736.91	\$825.34	\$924.38	\$1,035.31
4"	\$1,043.85	\$1,169.11	\$1,309.41	\$1,466.53	\$1,642.52	\$1,839.62
6"	\$2,300.45	\$2,576.50	\$2,885.68	\$3,231.97	\$3,619.80	\$4,054.18
8"	\$3,928.65	\$4,400.09	\$4,928.10	\$5,519.47	\$6,181.81	\$6,923.62
10"	\$6,128.91	\$6,864.38	\$7,688.10	\$8,610.68	\$9,643.96	\$10,801.23
14"	\$10,325.74	\$11,564.83	\$12,952.61	\$14,506.92	\$16,247.75	\$18,197.48
	Commodity					
\$/CCF	\$0.72778	\$0.81511	\$0.91293	\$1.02248	\$1.14518	\$1.28260

Exhibit 2

**Current Facility Capacity Charge (FCC)
(as of April 2024)**

2020 General District Water FCC with <= 8 inch lines removed from buy-in component	\$20,654
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2020 Reduction for transmission lines not benefitting the City	<u>\$5,597</u>
Subtotal	\$15,057

2024 Escalation based on ENR CCI (Nov 2020 = 11579; April 2024 = 13532)	New Subtotal	\$17,597
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Gabbro soils surcharge	\$345
Line and cover surcharge #3*	<u>\$325</u>

Total	\$18,267
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*This charge sunsets in April 2028