

TOWN OF APPLE VALLEY, UTAH

ORDINANCE NO. O-2026-22

AN ORDINANCE OF THE TOWN OF APPLE VALLEY, UTAH, ESTABLISHING MUNICIPAL CULINARY WATER RATES, FEES, AND CHARGES BY ORDINANCE; RATIFYING AND CONFIRMING WATER RATES, FEES, AND CHARGES PREVIOUSLY ESTABLISHED BY RESOLUTION; AMENDING TITLE 01.20.020, COMMERCIAL; ADOPTING THE CURRENT SCHEDULE OF WATER RATES, FEES, AND CHARGES; INCORPORATING CULINARY WATER PRICING AND CONSERVATION REQUIREMENTS; COORDINATING THOSE WATER RATES WITH THE TOWN FEE SCHEDULE; AMENDING CERTAIN WATER RATES; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Town of Apple Valley, Utah (the "Town") owns and operates a municipal culinary water system and furnishes culinary water service to retail customers within its designated water service area; and

WHEREAS, Utah Code Section 10-8-22 provides that a municipality shall fix the rates to be paid for the use of water furnished by the municipality and expressly provides that the setting of municipal water rates is a legislative act; and

WHEREAS, Utah Code Section 10-8-22 requires a municipality, within its designated water service area, to establish by ordinance reasonable rates for services provided to retail water customers, to use the same method of providing notice to all retail customers of proposed rate changes, and to allow all retail customers the same opportunity to appear and participate in a public meeting addressing water rates; and

WHEREAS, Utah Code Section 10-8-22 permits different rates for different classifications of retail customers when the classifications and rates have a reasonable basis; and

WHEREAS, the Town has historically established and amended culinary water rates, fees, and charges through resolutions of the Town Council and through the Town Fee Schedule and Appendix A, Schedule of Water Rates, Fees, and Charges; and

WHEREAS, the Town Council desires to ratify and confirm, for historical purposes, the water rates, fees, and charges previously established by resolution to the extent those rates, fees, and charges are reflected in Exhibit A to this Ordinance, while prospectively establishing the Town's current water rates, fees, and charges by ordinance; and

WHEREAS, the Town Council further desires to adopt the current Schedule of Water Rates, Fees, and Charges and any amendments reflected therein as part of this Ordinance; and

WHEREAS, the Town Council specifically desires to amend Title 01.20.020, Commercial, to establish the commercial base/standby rates, commercial usage rates, commercial impact fee schedule, and commercial retail connection fee provisions reflected in Exhibit A; and

WHEREAS, the Town Council is concurrently considering amendments to the Town's general Fee Schedule, which includes the water rates, fees, and charges established by this Ordinance for administrative convenience and public reference; and

WHEREAS, the inclusion of water rates, fees, and charges in the Town Fee Schedule is intended as a convenient reference and does not replace the legislative authority of this Ordinance; in the event of any conflict between the Town Fee Schedule and this Ordinance or Exhibit A, this Ordinance and Exhibit A shall control; and

WHEREAS, the Town Council finds that the customer classifications, rates, fees, and charges established by this Ordinance have a reasonable basis and are reasonably related to the operation, maintenance, administration, conservation, capacity, service demands, and costs of the Town's culinary water system.

WHEREAS, Utah Code Section 73-10-32.5 requires an applicable retail water supplier to consider water conservation, including at least one water conservation effort, when setting water rates with the goal of encouraging efficient water use and eliminating wasteful or excessive water use; and

WHEREAS, Utah Code Section 73-10-32.5 requires an applicable culinary water rate structure to incorporate increasing block units of water used and to provide for an increase in the rate charged for additional block units as usage increases from one block unit to the next; and

WHEREAS, the residential culinary water rate structure reflected in Exhibit A incorporates increasing usage blocks and progressively higher usage rates at higher levels of consumption and is intended to encourage efficient water use and discourage wasteful or excessive water use; and

WHEREAS, Utah Code Section 73-10-32.5 further requires applicable retail water suppliers to base the culinary water rate structure on a generally accepted rate-setting method, provide customers with block-unit rates and the customer billing cycle on billing notices or through a notice distributed at least annually, include individual customer water usage on customer billing notices, and consider urban farming in setting rates; and

WHEREAS, beginning no later than July 1, 2027, Utah Code Section 73-10-32.5 requires one or more water conservation efforts to be included as an element in determining the rate charged for at least the highest usage block unit of water for a customer classification that primarily serves residential customers; and

WHEREAS, the Town Council desires that the Town administer, document, review, and amend its culinary water rate structure in a manner consistent with the applicable requirements of Utah Code Sections 10-8-22 and 73-10-32.5.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY, UTAH, AS FOLLOWS:

SECTION 1. PURPOSE AND INTENT

The purpose of this Ordinance is to establish the Town of Apple Valley's municipal culinary water rates, fees, and charges by ordinance; ratify and confirm prior Town Council actions establishing water rates, fees, and charges by resolution to the extent reflected in Exhibit A; adopt the Town's current water rate schedule; incorporate applicable culinary water pricing and conservation requirements under Utah Code Section 73-10-32.5; coordinate those water rates with the Town's general Fee Schedule for administrative and public-reference purposes; and provide a clear legislative basis for the assessment and collection of such rates, fees, and charges going forward.

SECTION 2. RATIFICATION AND CONFIRMATION OF PRIOR WATER RATE RESOLUTIONS

The Town Council hereby ratifies and confirms the water rates, fees, and charges previously established, amended, approved, or continued by resolution of the Town Council, but only to the extent those rates, fees, and charges are restated in Exhibit A to this Ordinance.

This ratification and confirmation recognizes the historical actions of the Town Council and the rates, fees, and charges assessed and collected under those actions. Nothing in this Ordinance is intended to retroactively convert a prior resolution into an ordinance.

Nothing in this Ordinance shall be construed to invalidate, reverse, refund, or otherwise disturb amounts previously billed, paid, collected, credited, or owing under rates, fees, and charges in effect before the effective date of this Ordinance, subject to applicable law.

SECTION 3. CURRENT WATER RATES, FEES, AND CHARGES ESTABLISHED BY ORDINANCE

The Town Council hereby establishes and adopts by ordinance the Schedule of Water Rates, Fees, and Charges attached as Exhibit A and incorporated herein by this reference. From and after the effective date of this Ordinance, Exhibit A shall constitute the Town's current schedule of culinary water rates, fees, and charges unless subsequently amended in accordance with applicable law. The provisions of Exhibit A are

adopted as the operative water-rate provisions of the Town, including the amendment to Title 01.20.020, Commercial.

SECTION 4. AMENDMENT TO TITLE 01.20.020, COMMERCIAL, AND CURRENT RATE AMENDMENTS

Title 01.20.020, Commercial, of the Apple Valley Municipal Code is hereby amended and replaced with the commercial water rates, fees, and provisions set forth in Exhibit A to this Ordinance. The amendment includes the commercial base/standby rates by meter size, commercial usage-rate tiers, commercial impact fee schedule, and commercial retail connection fee provisions stated in Exhibit A. Any other amendments reflected in Exhibit A are also adopted as part of this Ordinance and shall take effect with this Ordinance. To the extent a prior resolution, fee schedule, or other Town action establishes a water rate, fee, or charge that differs from Exhibit A, Exhibit A shall control prospectively from the effective date of this Ordinance.

SECTION 5. RELATIONSHIP TO TOWN FEE SCHEDULE

The Town's general Fee Schedule may reproduce the water rates, fees, and charges established by this Ordinance and Exhibit A for administrative convenience, billing reference, and public access. The concurrent approval or amendment of the Town Fee Schedule does not independently establish or amend a municipal retail water rate required by Utah Code Section 10-8-22 to be established by ordinance. In the event of any inconsistency between the Town Fee Schedule and this Ordinance or Exhibit A, this Ordinance and Exhibit A shall control.

SECTION 6. CUSTOMER CLASSIFICATIONS

The Town Council finds that the classifications reflected in Exhibit A, including residential, commercial, standby, meter-size, bulk water, and emergency conservation classifications, have a reasonable basis, including differences in service characteristics, meter capacity, demand, usage, conservation objectives, system impacts, administrative requirements, and other identifiable factors associated with providing municipal water service.

SECTION 7. CULINARY WATER PRICING STRUCTURE AND CONSERVATION

To the extent applicable to the Town as a retail water supplier, the Town shall administer and periodically review the culinary water rate structure established by this Ordinance consistent with Utah Code Section 73-10-32.5.

The residential rate structure in Exhibit A incorporates increasing block units of water used and increases the usage rate as consumption moves into higher block units. The Town Council finds that this structure is intended to encourage efficient water use and reduce wasteful or excessive water use.

When establishing or amending culinary water rates, the Town shall consider water conservation, including at least one water conservation effort, and shall maintain documentation in the rate-setting record identifying the generally accepted rate-setting method used to support the rate structure.

The Town shall provide customers with the applicable block-unit rates and the customer billing cycle either on customer billing notices or in a notice distributed to customers at least annually, and customer billing notices shall include the individual customer water usage as required by applicable law.

In setting or amending culinary water rates, the Town Council shall consider urban farming that improves food security, reduces pollution, and creates green spaces, as provided in Utah Code Section 73-10-32.5.

No later than July 1, 2027, the Town shall include one or more water conservation efforts as an element in determining the rate charged for at least the highest usage block unit of water for a customer classification that primarily serves residential customers, as required by Utah Code Section 73-10-32.5.

SECTION 8. EMERGENCY WATER RATES

Emergency residential water rates set forth in Exhibit A shall apply only while the corresponding water conservation stage has been activated by written declaration of the Mayor pursuant to the Town of Apple

Valley Water Conservation Plan. The residential base fee and standby fee shall remain as established in Exhibit A. Upon termination of the applicable declaration, the regular residential water rates shall resume. Emergency rates shall be administered based on the Town's meter-reading and billing cycles, with reasonable notice to affected customers before or as soon as practicable after activation.

SECTION 9. PRIOR RESOLUTIONS AND CONFLICTING PROVISIONS

Prior resolutions establishing water rates, fees, or charges shall remain part of the Town's legislative and administrative history. To the extent a prior resolution, policy, or Town Fee Schedule provision is inconsistent with this Ordinance or Exhibit A, this Ordinance and Exhibit A shall control prospectively from the effective date of this Ordinance. Other ordinances, resolutions, policies, and fee schedule provisions are superseded only to the extent of an actual conflict with this Ordinance.

SECTION 10. ADMINISTRATION

The Mayor, Town staff, and other authorized representatives of the Town are authorized to administer and collect the rates, fees, and charges established by this Ordinance consistent with the Apple Valley Municipal Code, adopted Town policies, applicable agreements, and state law. Town staff are further authorized to implement customer billing notices, annual rate notices, rate-setting recordkeeping, and other administrative measures necessary to carry out Sections 10-8-22 and 73-10-32.5 of the Utah Code. Administrative calculation or application of an established rate based upon metered usage does not constitute an amendment to the rate.

SECTION 11. SEVERABILITY

If any section, subsection, sentence, clause, phrase, provision, or portion of this Ordinance or Exhibit A is held invalid or unenforceable by a court of competent jurisdiction, the remaining portions shall remain in full force and effect.

SECTION 12. EFFECTIVE DATE

This Ordinance shall become effective upon adoption and posting, publication, or other action required by Utah law.

PASSED AND ADOPTED by the Town Council of the Town of Apple Valley, Utah, this 23rd day of September, 2026.

TOWN OF APPLE VALLEY

Mike Farrar, Mayor

ATTEST:

Jenna Vizcardo, Town Clerk/Recorder

VOTING OF THE TOWN COUNCIL

Member	Aye	Nay	Abstain	Absent
Mayor Mike Farrar				
Council Member Kevin Sair				
Council Member Scott Taylor				
Council Member Richard Palmer				
Council Member Lee Fralish				

EXHIBIT A

APPENDIX A - SCHEDULE OF WATER RATES, FEES, AND CHARGES

01.20.000 Appendix A Schedule of Water Rates, Fees, and Charges

The following rates, fees, and charges are established for culinary water service provided by the Town of Apple Valley.

01.20.010 RESIDENTIAL

Residential Standby Fee: \$75.00/month

Residential Base Fee: \$75.00/month

Residential Usage Fees

Gallons Used	Charge / 1,000 Gal	Total
0 - base/standby		\$75.00
0-5,000	\$1.50	Calculated based on usage
5,001-12,000	\$1.50	Calculated based on usage
12,001-25,000	\$1.50	Calculated based on usage
25,001-35,000	\$2.00	Calculated based on usage
35,001-45,000	\$2.50	Calculated based on usage
45,001-55,000	\$3.25	Calculated based on usage
55,001-75,000	\$4.00	Calculated based on usage
75,001-100,000	\$5.00	Calculated based on usage
Over 100,000	\$7.00	Calculated based on usage

Emergency Residential Water Rates

The following emergency residential water rates apply only while the corresponding water conservation stage has been activated by written declaration of the Mayor pursuant to the Town of Apple Valley Water Conservation Plan. The residential base fee and standby fee remain \$75.00 per month. Upon termination of the declaration, the regular residential water rates listed above shall resume.

Stage 3 - Water Crisis

Gallons Used	Charge per 1,000 Gallons
Base Fee / Standby	\$75.00
0-5,000 gallons	\$1.50
5,001-12,000 gallons	\$1.50

12,001-25,000 gallons	\$2.50
25,001-35,000 gallons	\$3.00
35,001-45,000 gallons	\$3.50
45,001-55,000 gallons	\$4.50
55,001-75,000 gallons	\$6.00
75,001-100,000 gallons	\$7.00
Over 100,000 gallons	\$9.00

Stage 4 - Water Emergency

Gallons Used	Charge per 1,000 Gallons
Base Fee / Standby	\$75.00
0-5,000 gallons	\$1.50
5,001-12,000 gallons	\$2.50
12,001-25,000 gallons	\$3.50
25,001-35,000 gallons	\$4.00
35,001-45,000 gallons	\$4.50
45,001-55,000 gallons	\$5.50
55,001-75,000 gallons	\$8.00
75,001-100,000 gallons	\$9.00
Over 100,000 gallons	\$11.00

Administration of Emergency Rates

Emergency rates shall apply only during the period identified in the Mayor's written declaration and shall be administered based on the Town's meter-reading and billing cycles. The Town shall provide reasonable notice to affected customers before or as soon as practicable after activation.

Residential Impact Fee (3/4-inch Connection): \$17,788.00

Connection Fee Deposit by Meter Size

Meter Size	Connection Fee Deposit
3/4-inch	\$1,600.00

1-inch	\$1,900.00
1.5-inch	\$2,900.00
2-inch or Larger	Quoted Upon Request

Actual cost of the connection depending on the size of meter required.

At the Department's discretion and depending on whether the Department owns sufficient municipal water rights to supply the proposed development and existing customers, one (1) acre-foot of municipal category water rights must be bought-in at \$10,000.00 per connection, or deeded to the Department in lieu of the buy-in.

01.20.020 COMMERCIAL

Meter Size	Monthly Base / Standby Rate
1-inch	\$102.00
1.5-inch	\$141.93
2-inch	\$202.76
3-inch	\$552.51
4-inch	\$1,241.90

Commercial Usage Fees

Gallons Used	Charge per 1,000 Gallons
0-5,000	\$1.50
5,001-12,000	\$1.50
12,001-25,000	\$1.50
25,001-35,000	\$2.00
35,001-45,000	\$2.50
45,001-55,000	\$3.25
55,001-75,000	\$4.00
75,001-100,000	\$5.00
Over 100,000	\$7.00

Commercial Impact Fee

Based on connection diameter as shown below. At the Department's discretion and depending on whether the Department owns sufficient municipal water rights to supply the proposed development and existing customers, appropriate acre-feet of municipal category water rights must be bought-in at \$10,000.00 per connection or deeded to the Department in lieu of the buy-in.

Connection Diameter (in)	ERCs	Impact Fee Amount
3/4	1	\$17,788.00
1	3	\$31,623.11
1.5	5	\$71,152.00
2	8	\$126,492.44
3	10	\$284,608.00

Commercial Retail Connection Fee: Actual cost of the connection depending on the size of meter required.

01.20.030 BULK METER

Bulk Meter Usage Fees

\$49.00 meter fee for usage up to five days, with a \$5.00 charge for each additional day the meter is out.

Bulk Water: \$10.00 per 1,000 gallons used.

Bulk Water - Cooke Well: \$5.00 per 1,000 gallons used.

The meter must be read at least every 30 days.

A \$2,000.00 meter deposit is required.

There will be a \$250.00 additional charge for late return (greater than five (5) days and thirty (30) days).

Maximum Billing for Lost or Unreturned Meter. In the event a bulk water meter is lost, not returned, damaged beyond the ability to obtain an accurate reading, or otherwise unavailable for final reading, the Town may retain the full \$2,000.00 deposit and bill the customer for up to 100,000 gallons of water usage, in addition to any damage to Town property and all other applicable fees and charges. If the Town has clear evidence demonstrating actual usage in excess of 100,000 gallons, the Town may bill for the actual estimated usage.

01.20.040 COST OF SERVICES

Service	Fee
Application Processing Fee	\$125.00
Well Permit Fee	\$250.00
Engineering	Actual Cost
Inspections	\$60.00/Hour

Will Serve Letters	\$84.00 Initial Fee (1/2 hour); \$84.00 for Additional Half Hours
Call-Outs	\$60.00 First Hour Minimum / \$80.00 Additional Hours
Equipment	Actual Cost
Late Notice Fee	\$5.00
Service Restoration Fee	\$50.00
Interest Charges	5%/Month

CONTINUING EFFECT

The rates, fees, and charges contained in this Exhibit shall remain in effect until amended or superseded by subsequent legislative action of the Town Council as required by applicable Utah law. Nothing in this Exhibit supersedes additional lawful requirements contained in the Apple Valley Municipal Code, the Town Water Conservation Plan, applicable development or water agreements, or other applicable law.