

ORDINANCE NO. 2018-01

**AN ORDINANCE OF CALAVERAS COUNTY WATER DISTRICT
MODIFYING RATES FOR
WATER AND WASTEWATER SERVICES**

WHEREAS, the Board of Directors of the Calaveras County Water District (District) has responsibility for establishing rates for the provision of District services and corresponding implementation policies; and

WHEREAS, the District has prepared financial and policy information in respect to the provision of water and wastewater services over the next five years for review by the Board of Directors and the public, and caused to be prepared *Water and Sewer Rate Studies* dated April 2018 that recommended adjustments to water and wastewater rate schedules; and

WHEREAS, the Board of Directors held fifteen public meetings starting in April 2017 on the need to increase water and wastewater rates, including Board of Director meetings on July 26, August 9, September 27, and December 13, 2017; and February 14, February 28, March 14 and March 28, 2018, and held seven town hall meetings and other public outreach meetings in communities throughout the District between April 3 and May 18, 2018 regarding Water and Wastewater financial and rate issues; and

WHEREAS, the Board of Directors has received considerable community input during the public meetings and town hall community meetings and has considered this input in formulating the proposed rates; and

WHEREAS, the District has, in accordance with Article XIID, Section 6 of the California State Constitution, provided written notices containing detailed descriptions of proposed water and wastewater rate changes for property owners who receive water and/or wastewater services from the District; and

WHEREAS, the Notice of Proposed Water and Wastewater Rate Increase, mailed April 5, 2018, included notification of a Public Hearing on May 23, 2018 to consider rate increases, said date having been established by Board action at its meeting on March 28, 2018; and

WHEREAS, the officially noticed Public Hearing was held Wednesday, May 23, 2018, and all members of the public present were given an opportunity to comment on the proposed Ordinance; and

WHEREAS, written protests received in accordance with the procedures outlined in Article XIID, Section 6 numbered less than half of the property owners served; and

WHEREAS, the Board of Directors finds that it is now necessary to modify existing rates relative to the provision of water and wastewater services.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Calaveras County

Water District as follows:

Section 1. Purpose. The purpose of this Ordinance is to increase water and wastewater rates as necessitated by the cost of providing and maintaining water and wastewater services, including, but not limited to, operations and maintenance, debt service, the capital improvement program, and meeting financial reserve requirements.

Section 2. Findings. The Board of Directors finds and determines as follows:

- The water and wastewater service rates implemented by this ordinance, in conjunction with other estimated revenue sources, have been fixed in an amount sufficient to pay the operating and maintenance expenses of the District's water and wastewater systems, pay the principal and interest on existing debt, provide sufficient revenues for reserve requirements, and continue funding the District's Capital Renovation and Replacement ("Capital R&R") program.
- The increased water and wastewater rates are reasonably related to, and do not exceed, the District's cost of providing water and wastewater services.
- The revenues derived from the water rates do not exceed the funds required to provide water service and are not used for any other purpose than in the provision of water services.
- The revenues derived from the wastewater rates do not exceed the funds required to provide wastewater services and are not used for any other purpose than in the provision of wastewater services.
- The amount of the water and wastewater rates imposed on each water and wastewater service customer does not exceed the proportional cost of the water and/or wastewater service actually delivered or made available to every identified parcel of real property and/or customer within the District's service boundary.
- Every property subject to the rates established by this Ordinance actually uses the underlying service or the service is immediately available for that property's use.
- The District has, in accordance with Article XIID of the California State Constitution, provided written notices containing detailed descriptions of proposed water and wastewater rate changes to District property owners who receive service from the District and written protests presented to the District for the proposed rates did not exceed fifty percent (50%) of the property owners.
- The District conducted a duly noticed Public Hearing on May 23, 2018 concerning the proposed rate increases at which time the public had the opportunity to speak to the Board of Directors regarding the proposed increases and the Board of Directors considered the testimony received prior to making a final decision to implement the rate increases.

Section 3. Water and Wastewater Rate Schedule. The water and wastewater rates are established in accordance with the provisions of EXHIBIT 1 attached hereto and incorporated herein. The rates shown replace monthly water and wastewater charges established and adjusted by previous actions of the Board of Directors.

Section 4. Effect on Existing Policies. Any provision of any ordinance, resolution, fee, charge and/or other policy of the District in conflict with this Ordinance 2018-01 is hereby modified to the extent, and only to the extent, necessary to conform with the requirements provided herein. If any existing fees, charges and/or regulations in effect on the date of adoption of this ordinance are not in conflict herewith, said existing fees, charges and/or regulations shall remain in effect without modification.

Section 5. Effective Date. Consistent with Water Code Section 31105, this Ordinance shall become effective July 16, 2018.

Section 6. Rates.

The District's water and wastewater rates will be implemented as set forth in this Section.

1.1) **Bi-Monthly Water Rates – EXHIBIT 1, Schedule A** attached hereto shall be the basis for minimum water charges to customers receiving service.

1.1.1) **Base Rates – EXHIBIT 1, Table 1 of Schedule A** represents the bi-monthly water base rates charged for the sale of potable water through various meter sizes within the District service area.

1.1.1.1) **Effective Date** - The bi-monthly water base rates shown in **EXHIBIT 1, Table 1 of Schedule A** shall become effective July 16 of each year as shown. The first base rate increase shall occur on July 16, 2018.

1.1.2) **Consumptive Rates – EXHIBIT 1, Table 2 of Schedule A** represents the bi-monthly tiered consumptive rates in cubic feet (**cf**) applied to the average Residential meters, and the consumptive rates in cubic feet (**cf**) applied to the average Non-Residential and Irrigation/Landscape/Other meters. The usage charge is shown in dollars per hundred cubic feet (**\$/100 cf**).

1.1.2.1) **Effective Date** - The bi-monthly tiered rates shown in **EXHIBIT 1, Table 2 of Schedule A** shall become effective July 16 of each year as shown. The first tiered rate increase shall occur on July 16, 2018.

1.1.3) **Water Shortage Rates – EXHIBIT 1, Table 3 of Schedule A** represents the tiered consumptive rates applied to average bi-monthly water usage in cubic feet (**cf**) for Residential, Non-Residential and Irrigation/Landscape/Other meters. The usage charge is shown in dollars per hundred cubic feet (**\$/100 cf**).

1.1.3.1) **Effective Date** - The bi-monthly water shortage rates shown in **EXHIBIT 1, Table 3 of Schedule A** shall become effective July 16 of each year as shown. The first tiered rate increase shall occur on July 16, 2018.

1.2.1) **Bi-Monthly Residential Wastewater Rates – EXHIBIT 1, Table 1 of Schedule B** attached hereto represents the bi-monthly wastewater flat rate charged for residential sanitary sewer service within the District service area.

1.2.1.1) **Table 1 in EXHIBIT 1, Schedule B** represents the charge for a standard single family residential connection (also referred to in Board policy documents as a single family dwelling equivalent (“SFDE”) or equivalent single-family unit (“ESFU”).

1.2.1.2) **Effective Date** - The residential bi-monthly wastewater rates shown in **EXHIBIT 1, Table 1 of Schedule B** shall become effective July 16 of each year shown. The first rate increase shall occur on July 16, 2018.

1.2.2) **Bi-Monthly Non-Residential Wastewater Rates – EXHIBIT 1, Table 2 of Schedule B** attached hereto represents the bi-monthly wastewater flat rate charged for non-residential sanitary sewer service within the District service area.

1.2.2.1) **Table 2 in EXHIBIT 1, Schedule B** represents the charge for a standard single family residential connection (also referred to in Board policy documents as a single family dwelling equivalent (“SFDE”) or equivalent single-family unit (“ESFU”).

1.2.2.2) **Effective Date** - The non-residential bi-monthly wastewater rates shown in **EXHIBIT 1, Table 2 of Schedule B** shall become effective July 16 of each year shown. The first rate increase shall occur on July 16, 2018.

1.3) **Agricultural Water Rates – EXHIBIT 1, Schedule C** attached hereto shall be the basis for minimum raw water charges to agricultural customers receiving service.

1.3.1) **Agricultural Water Rates – EXHIBIT 1, Table 1 of Schedule C** represents the per acre foot rate charged for the sale of raw water to Calaveras agricultural users.

1.3.2.1) **Effective Date** - The agricultural raw water rates shown in **EXHIBIT 1, Table 1 of Schedule C** shall become effective January 1 of each year as shown. The first rate increase shall occur on January 1, 2019.

1.4) **Future Rate Adjustments** - Within six months of July 16, 2023, the District will undertake a water and wastewater rate review.

PASSED AND ADOPTED this 23rd day of May 2018, after a noticed Public Hearing by the following vote:


AYES: Directors Underhill, Thomas, Strange, Davidson, and Ratterman
NOES: None
ABSTAIN: None
ABSENT: None

CALAVERAS COUNTY WATER DISTRICT



Scott Ratterman, President
Board of Directors

ATTEST:



Rebecca Hitchcock, Clerk to the Board