

RESOLUTION 2010.06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST VALLEY WATER DISTRICT ESTABLISHING RATES AND CHARGES FOR WATER SERVICE AND RESCINDING RESOLUTION 2008.20

WHEREAS, East Valley Water District (“District”) is a county water district organized and operating pursuant to California Water Code Section 30000 et seq.; and

WHEREAS, pursuant to applicable law, including but not limited to Water Code Sections 31024 and 31027, the District’s Board of Directors adopted Ordinance No. 375 on July 15, 2010, establishing the rules and regulations for water service by the District; and

WHEREAS, pursuant to applicable law, including but not limited to Water Code Sections 31007 and 31025, the District’s Board of Directors is authorized to adopt by resolution such rates for the provision of water service by the District to implement the rules and regulations set forth in Ordinance No. 375 and to yield an amount sufficient to pay the operating expenses of the District, provide for repairs and depreciation of works owned or operated by the District, pay the interest on any bonded debt, and, so far as possible, provide a fund for the payment of the principal of the bonded debt as it becomes due; and

WHEREAS, in furtherance of its objectives, the District has conducted a study on the public facilities operated by the District and the anticipated need for additional facilities in the future; and,

WHEREAS, this study, entitled East Valley Water District Impact Fee Study, AB 1600 Compliance was prepared by the engineering firm of URS Corporation dated May 1989; updated in 1995; and most recently updated in 2000 by Engineering Resources of Southern California, Inc.; and is available for public review and inspection; and

WHEREAS, this study indicates that existing public facilities operated by the District will need to be modified and additional facilities will be needed for the District to provide adequate water service to the people within the District; and

WHEREAS, this study further indicates that rates and fees need to be established by the District to raise sufficient revenue to finance the public facilities necessary to provide adequate water service; and

WHEREAS, the District has further retained the services of a qualified engineer, HDR Engineering, Inc, to prepare the Water Rate Analysis dated June 1, 2010, that is attached hereto as Exhibit “A” and incorporated herein by this reference (“the Water Rate Study”); and

WHEREAS, the revenue raised by these rates and fees will be used to modify or construct additional public facilities to provide adequate water services, and do not exceed the total cost of these facilities; and

WHEREAS, this action is necessary for obtaining funds for the construction of capital public facilities necessary to maintain water service within the boundaries of the District and is therefore exempt from the requirements of the California Environmental Quality Act as provided by Public Resources Code Section 21080(b)(8); and

WHEREAS, the amount of the rates and charges hereby adopted do not exceed the reasonable anticipated costs for the corresponding services provided by the District, and therefore the fees imposed hereby do not qualify as "special taxes" under Government Code Section 50076, and the actions taken herein are exempt from the additional notice and public meeting requirements of the Brown Act pursuant to Government Code Section 54954.6(a)(1)(A) and (B); and

WHEREAS, the District has satisfied all of the substantive and procedural prerequisites of Articles XIIC and XIID of the California Constitution in establishing the rates and charges set forth herein, including but not limited to, the identification of the parcels upon which the rates and charges will be imposed; the calculation of the rates and charges; the mailing of written notice to the record owners of each parcel upon which the rates and charges will be imposed describing the amount thereof, the basis upon which the rates and charges were calculated, the reason for the rates and charges, and the date, time, and location of the public hearing to be held thereon; and the conducting of a public hearing on the rates and charges not less than 45 days after mailing the notice during which all protests against the fee were considered.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East Valley Water District does hereby resolve and determine that the written protests against the rates and charges set forth herein that were received by the District prior to the close of the public hearing hereon represented less than a majority of the parcels subject to the rates and charges set forth below and, thus, the District's Board of Directors further finds that the public interest and necessity requires the adoption of the content and findings of the Water Rate Study and the following rates and charges for water service by the District in accordance with Ordinance No. 375, as well as affirmation and ratification of all prior rates and charges previously adopted by the District's Board of Directors:

SECTION 1. SYSTEM CHARGE

The system charge is the monthly availability charge applicable to all metered water services. The charges, which vary by meter size, are established at the amounts listed in Table 1 below as of October 1, 2010. Implementation of these charges will be phased in according to the schedule set forth in Table 2 below.

Table 1			Table 2			
Established Rates By Meter Size			Phase In Amounts and Schedule			
Meter Size	Availability Charge		Phase 1 10/1/2010 9/30/2011	Phase 2 10/1/2011 9/30/2012	Phase 3 Beginning 10/1/2012	
5/8"	\$ 13.71		\$ 11.54	\$ 12.58	\$ 13.71	
3/4"	13.71		11.54	12.58	13.71	
1"	20.87		17.56	19.14	20.87	
1.5"	38.60		32.49	35.41	38.60	
2"	88.48		74.47	81.17	88.48	
3"	163.25		137.40	149.77	163.25	
4"	270.06		227.30	247.76	270.06	
6"	537.09		452.06	492.74	537.09	
8"	857.52		721.76	786.72	857.52	

SECTION 2. CONSUMPTION CHARGE

The consumption charge established pursuant to Section 14.02 of the District's Ordinance No. 375 is fixed at the uniform rate of \$1.77 per hundred cubic feet as of October 1, 2010, but implementation thereof will be phased in according to the following schedule:

	10/01/10- 09/30/11	10/01/11- 09/30/12	10/01/12
Consumption Charge	\$1.49	\$1.62	\$1.77

SECTION 3. DELINQUENCY CHARGES

The delinquency charge is the charge which is added to each delinquent account at the time any amount becomes delinquent, provided that no delinquent charge shall be made on any account which at that time has no delinquencies of record. The delinquency charge is hereby established as one and one-half percent (1-1/2%) per month of the total amount delinquent.

SECTION 4. FIRE SERVICE STANDBY CHARGE

The fire service standby charge is the monthly charge per inch diameter of the District fire service meter. Water used through this service is limited to emergency fire requirements only.

Fire Service Standby Charge = \$5.60 per month per inch diameter.

SECTION 5. WATER SERVICE CONNECTION CHARGES

The water service connection charge is the charge for the type and size of water service connection desired. Such regular charge shall be paid in advance by the applicant. Where there is no regular charge, the District reserves the right to require the applicant to deposit an amount equal to the estimated cost of such service connection.

<u>SERVICE SIZE</u>	<u>CAPACITY CHARGE</u>	<u>INSTALLATION CHARGE</u>	<u>TOTAL CHARGE</u>
3/4"	\$ 3,273.00	\$ 2,128.00	\$ 5,401.00
1"	5,466.00	2,160.00	\$ 7,626.00
1-1/2"	10,900.00	4,714.00	\$ 15,617.00
2"	17,445.00	4,924.00	\$ 22,369.00
3"	32,730.00	10,739.00	\$ 43,469.00
4"	54,600.00	16,551.00	\$ 71,151.00
6"	109,000.00	27,117.00	\$136,117.00
8"	196,380.00	29,983.00	\$226,983.00
10"	327,300.00	to be determined	to be determined

SECTION 6. FIRE SERVICE CONNECTION CHARGES

The fire service charge is the charge for the type and size of fire service connection desired. Such regular charge shall be paid in advance by the applicant. Where there is no regular charge, the District reserves the right to require the applicant to deposit an amount equal to the estimated cost of such service connection.

<u>FIRE SERVICE SIZE</u>	<u>INSTALLATION CHARGE</u>
1"	\$ 2,160.00
1-1/2"	\$ 4,717.00
2"	\$ 4,924.00
3"	\$10,739.00
4" D.D.C.	\$13,873.00
6" D.D.C.	\$19,186.00
8" D.D.C.	\$20,211.00

SECTION 7. FRONT FOOTAGE CHARGE

The front footage charge is a one-time reimbursement to the District for previously constructed water mains adjacent to all sides of an unimproved property to be serviced. This charge is hereby established at a rate of \$30.00 per lineal foot.

SECTION 8. WATER MAIN EXTENSION CHARGE

The water main extension charge is for the construction of a water main extending to the far side of the property to be served. This charge shall be based on the prevailing rates of time and material per District approved plans. The customer shall be responsible to provide the plans and for all applicable Engineering Services charges described in Section 12.

SECTION 9. FIRE HYDRANT INSTALLATION CHARGE

The charge for installation of fire hydrants is hereby established at the rate of:

1. \$3,807.00 for each short side installation (the case where the water main and the hydrant are on the same side of the street's centerline)
2. \$6,359.00 for each long side installation (the case where the water main and the hydrant are on the opposite sides of the street's centerline)

SECTION 10. SPECIAL FACILITY CHARGE

A special facility charge shall be required for development of limited service whenever special facilities, including pressure regulators are required. The charge to be made to a developer or owner of land that is considered by the District to be within a limited service area shall be based upon the developer's or landowner's proportionate share of the cost for the installation of such Special Facility. Such proportionate share to be borne by the developer or landowner shall be based on the percentage of such development to the entire limited service area to be served by the Special Facilities; and the same number of acres or area under normal conditions and the cost of facilities to serve the acreage of area under special conditions at a higher cost.

SECTION 11. INSPECTION CHARGES

Where a customer service connection or facility requires inspection by District personnel, the customer shall be charged for such inspection at the rate of \$600.00 per day.

SECTION 12. WATER SYSTEM DESIGN CHARGE

A water system design charge shall be required for all main extensions, service connections and/or special facilities requiring the preparation of engineering plans and drawings. The water system design charge is hereby established as that fee charged by an engineering firm of the District's choosing, plus an additional 10% thereof for the District's administrative costs. In the event the costs exceed the fees charged, the additional cost will be billed to the customer.

SECTION 13. ENGINEERING SERVICES CHARGES

The Engineering Services charge is a fee for the District's time and effort spent on assisting customers who have a requirement to construct water main extensions, or other water facilities, that must meet District needs and conform to District standards. This fee includes time and effort the District spends on plan checking, plan and easement development, and all other related work.

Prior to submission of any documents requiring work by the District, a non-refundable minimum charge in the amount of 7.5% of the engineer's estimated cost for the project shall be submitted to the District. The work will be accomplished on a time and effort basis. Should the District require more funds than the original charge, the additional costs will be billed and must be paid prior to allowing water service to the project.

SECTION 14. VALVE DEPOSIT

A refundable deposit of \$100 per valve will be charged for each water system valve on the water construction plans. This fee will be returned when the valve cans and caps are constructed to final grade by the developer's contractor and verified by the District.

As an alternative to the valve deposit, a guarantee bond may be provided in the same amount as the deposit. The guarantee bond shall contain covenants that are satisfactory to the District. Such bond shall remain in force until all valve cans and caps are constructed to final grade by the developer's contractor and verified by the District.

SECTION 15. DISCONNECT NOTICE CHARGE

The Disconnect Notice Charge is the charge which covers reasonable District costs to notify customers that their water service is subject to impending termination. The Disconnect Notice Charge is hereby established at \$5.00 per occurrence.

SECTION 16. DISCONNECT/RECONNECT CHARGE

The disconnect/reconnect charge is the charge which covers the reasonable District disconnect/reconnect costs for disconnection and reconnection of service connections which are in violation of District ordinances, resolutions and rules. The disconnect/reconnect charge is hereby established at the rate of \$45.00 per occurrence during normal work hours. An additional \$25.00 will be charged for after normal work hours reconnects. Should the disconnect/reconnect occur at the water main, the charge is hereby established at the rate of \$750.00 per occurrence.

SECTION 17. METER TEST CHARGE

The meter test charge is the charge which covers the District costs for removing, bench testing and reinstalling the water meter to be tested as provided for in the ordinances of the District. The meter test charge is hereby established at the rate of \$50.00 per test.

SECTION 18. SECURITY DEPOSIT

The security deposit insures payment of minimum District charges and may be refunded under certain circumstances. The amount of the security deposit charge shall be calculated at three times the average monthly bill as estimated by the district, and is hereby established as follows:

Owner/Resident/Tenant	\$100.00/edu (equivalent dwelling unit)
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SECTION 19. UNAUTHORIZED USE OF WATER CHARGE

The unauthorized use of water charge shall be charged to any person, organization or agency for each unauthorized use of District water or for tampering in any manner with any meter belonging to the District where this tampering shall affect the accuracy of such meter. The unauthorized use of water charge is hereby established at the rate of \$500.00 for a first occurrence and \$1,000.00 for each subsequent occurrence.

SECTION 20. TEMPORARY SERVICE

A temporary service is available through the use of a fire hydrant. The customer deposit for a temporary service is hereby set at \$1,800.00. All other applicable service charges shall apply.

SECTION 21. CONSTRUCTION WATER CHARGE

The construction water charge is the flat rate charge for use of water during the construction phase of a new building. It is only available for services 1" in diameter or smaller. The charge is hereby established at the rate of \$44.00 per month per service requested.

SECTION 22. SERVICE INITIATION CHARGE

The service initiation charge is the charge which covers the reasonable District costs for initiating water service. The service initiation charge is hereby established at \$25.00 per service address.

SECTION 23. FIRE FLOW TEST CHARGE

A fire flow test charge is hereby established at \$100.00 per test.

SECTION 24. RETURNED CHECK CHARGE

A returned check charge is a charge which covers the reasonable administrative cost and banking charges for processing a returned check.

The returned check charge is hereby established at \$20.00 per returned check.

Any person disputing these fees may file a protest with the General Manager of the District as provided for in District Ordinance No. 375 or as provided for by law. The decision of the Board of Directors regarding any protest shall be final.

This Resolution shall take effect immediately upon adoption, except the amount of the charges set forth in Sections 1 and 2 of this Resolution shall take effect on October 1, 2010.

Adopted this 15th day of July 2010.

ROLL CALL:

Ayes:

Noes:

Absent:

Abstain:

George E. Wilson, President

ATTEST: _____
Robert E. Martin, Board Secretary