

## SUNNYSLOPE COUNTY WATER DISTRICT

### ORDINANCE NO. 61

#### AN ORDINANCE OF SUNNYSLOPE COUNTY WATER DISTRICT (AMENDING DISTRICT CODE §§ 3.40.150, 4.32.160, AND 4.36.060) (CHANGING RATES, FEES AND CHARGES FOR WATER AND SEWER SERVICES)

Be it ordained by the Board of Directors of  
Sunnyslope County Water District  
as follows:

Section 1. Authority. This ordinance is enacted pursuant to Sections 30000 and following of the California Water Code.

#### Section 2. Findings.

A. This ordinance is considered for action by the Board of Directors at a regularly scheduled and noticed meeting. The agenda was posted and notice of a public hearing on the ordinance was published in accordance with law in the Hollister Freelance and the Pinnacle. A summary of the ordinance prepared by the district's General Manager in consultation with the district's legal counsel was published and a certified copy of the full text of the proposed ordinance was posted in the office of the board at least five days prior to the Board meeting of May 1, 2002. At least 10 days prior to the meeting, the district made available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which the rates, fees and charges are levied, and the revenue sources anticipated to provide the service, including General Fund revenues. Certificates of publication are on file with the district.

B. Rates for regular water service and for interruptible service are established by Section 3.40.150 and Table 3.40.150 of the District Code. Rates for sewer service are established by Section 4.36.060 and Table 4.36.060 of the District Code. A connection charge for sewer service is established by Section 4.32.160 of the District Code.

C. Rates, fees and charges were amended by Ordinance 60 on December 20, 2001. Amended rates, fees and charges were effective immediately upon adoption, except for connection charges which were effective March 15, 2002.

D. The district now proposes to participate in certain financing needed to construct and pay for facilities to provide water and sewer services. Specifically, the district proposes to use CSCDA Series 2002A Revenue Bond proceeds to finance a 3.5 million gallon water storage tank, a 13,000 square foot administration/maintenance complex, a domestic groundwater well and pipeline and to refinance an installment purchase agreement with the City of Hollister for its share of construction of the LESSALT Water Treatment plant..

E. The Board has received recommendations from its financial consultant, Parsons & Associates, from its consultant on the CSCDA pooled financing, Henderson Capital Partners, from bond counsel and from the district's Legal Counsel that certain rate amendments are necessary and appropriate to meet the requirements for participation in the CSCDA Series 2002A Revenue Bond pooled financing. Specifically, two scheduled rate increases of 16% each for water services and 10% each for sewer services, effective December 21, 2002 and December 21, 2003, are recommended for authorization, subject to adjustment as more information becomes available about the district's actual financial condition and revenue sources for each year as the increases are scheduled to take effect.

F. The district's General Manager and the district's Engineer have advised that the amendment made by Ordinance 60 to section 4.32.160 of the District Code regarding sewer connection fees needs to be further amended to accurately reflect the recommendations of the district's Engineer. This amendment will not result in any further increases in connection charges, but will lower the sewer connection charge for new customers within the Ridgemark Project.

G. The amended rates, fees and charges for water and wastewater services for the purpose of (1) meeting operating expenses, including employee wage rates and fringe benefits, (2) purchasing or leasing supplies, equipment, or materials, (3) meeting financial reserve needs and requirements, and (4) obtaining funds for capital projects necessary to maintain service within existing service areas, including repayment of the proposed CSCDA pooled financing.

H. The district's financial needs require the provisions of this ordinance to become effective immediately upon adoption pursuant to Water Code Section 31027.

I. The district's legal counsel advises, and the Board finds, that adoption of this ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273.

J. Monthly service fees or charges adopted by this Ordinance shall be imposed as a condition of service by the District to its customers. Monthly water quantity and sewer rates shall be imposed on the basis of the amount of water used or consumed by the customer. Any customer may avoid payment of the quantity rates and the service fees or charges by disconnecting from the facilities of the district. These rates, fees and charges are not imposed upon real property or upon persons as an incident of real property ownership.

K. The district's Legal Counsel advises that because there will be no increase in capital connection charges or fees, there is no question about needing to follow the procedures set forth in Article XIII D of the California Constitution, nor the procedures set forth in Government Code sections 60013 through 60018.

L. The rates, fees and charges adopted by this ordinance will not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed. Connection charges imposed by this ordinance will not exceed the proportional cost of the service attributable to the customers on whom the charges are imposed.

M. The rates, fees and charges adopted by this ordinance have not been calculated nor developed on the basis of any parcel map, including an assessor's parcel map.

Section 3. Purpose Of Ordinance. This ordinance amends Sections 3.40.150 (Table 3.40.150), 4.32.160, and 4.63.060 (Table 4.63.060) of the Sunnyslope County Water District Code.

Section 4. Effect Of Repeal On Past Actions And Obligations. This ordinance does not affect prosecutions for ordinance violations committed prior to the effective date of this ordinance, does not waive any fee or penalty due and unpaid on the effective date of this ordinance, and does not affect the validity of any bond or cash deposit posted, filed or deposited pursuant to the requirements of any ordinance.

Section 5. Water Rate Schedule Amended. Section 3.40.150 of the District Code is amended by amending Table 3.40.150 to read in full as set forth in Exhibit "A" to this ordinance, incorporated by this reference.

Section 6. Sewer Rate Schedule Amended. Section 4.63.060 of the District Code is amended by amending Table 4.63.060 to read in full as set forth in Exhibit "B" to this ordinance, incorporated by this reference.

Section 7. Sewer Connection Charge Amended. Section 4.32.160 of the District Code is amended to read in full as follows:

"Customers requesting or desiring sewer service from the district for service outside the boundaries of the Ridgemark Project, for residential, commercial, industrial or other use, whether by any sanitary sewerage system or proposed system of the district, or any sanitary sewerage system of other persons within such area which may connect with or be proposed to be connected to any sanitary sewerage system or proposed system of the district shall pay a connection charge based on quantity of effluent, within the ranges set forth in Table 4.32.160.

One thousand two hundred forty dollars shall be paid to Ridgemark Corporation as and for reimbursement to Ridgemark Corporation for oversizing its facilities to accommodate connections outside of the Ridgemark Development Project. The balance of the connection charge shall be retained by the district for the cost of facilities to provide the service requested. Customers shall also pay an additional inspection fee of ten dollars for each new service connection. The lowest charges within the ranges set forth in Table 4.32.169 shall be the charge upon the effective date of this Section, March 15, 2002. Customers requesting or desiring sewer service inside the boundaries of the Ridgemark Project shall pay a connection charge within the ranges set forth in Table 4.32.160, less one thousand two hundred forty dollars.

**Table 4.32.160**

<b>SEWER CONNECTION CHARGES</b>		
<u>Customer Classification</u>	<u>Charge</u>	
1. Single-family unit	\$1,907.00 - \$3,337.00	
2. Multiple-family dwellings, duplexes, flats and apartments (auto courts, motels, trailer parks?)	\$1,744.00 - \$3,052.00/unit	
3. Commercial houses, schools <sup>1</sup> , churches	\$2,059.00 - \$3,603.00/unit	
4. Industrial, business, laundries, laundrettes, restaurants, bars, theaters, service stations, garages, chemical plants	\$1,400 - \$2,450 plus \$2.37 - \$4.15/gallon/day projected use	

(1) Note: Connection charges for schools and other governmental uses are subject to the requirements of Government Code § 54999.3

(2) Note: Connection charges inside the Ridgemark Project are \$1,240 less than the charges in this Table

**Section 8.** Requirements for Rates, Fees and Charges. The rates, fees and charges adopted by this ordinance shall not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed. Revenues derived, respectively, from water and sewer connection charges shall not be used for any purpose other than for capital facilities to provide, respectively, water and sewer service. If the connection charges adopted by this ordinance create revenues in excess of actual cost, those revenues shall be used to reduce the connection charges creating the excess.

**Section 9.** Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional or invalid, or superseded by some other provision of law, such provisions shall be severed from and shall not affect the validity of the remaining provisions of this ordinance. The Board hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any other part thereof be unconstitutional or invalid, or superseded by some other provision of law. The parts of this ordinance which are not unconstitutional, invalid, or superseded shall remain in full force and effect and shall be enforced according to their terms.

**Section 10.** Interpretation. Words and Phrases used in this ordinance shall be read conjunctively with and shall have the same meaning as in prior district ordinances and the district Code, unless specifically changed by this ordinance or unless the context requires some other construction. If there is any inconsistency between this ordinance and prior provisions, this ordinance shall control.

**Section 11.** Effective Date. This ordinance shall take effect immediately upon adoption.

**Section 12.** Publication and Posting. Within 15 days after adoption, the district shall publish, in a newspaper published in San Benito County and circulated within the district, a summary of this ordinance with the names of those directors voting for and against adoption, and shall post in the district office a certified copy of the full text of this ordinance as adopted along with the names of those directors voting for and against adoption.



Section 13. Notice of Exemption Notice of Determination. The Secretary is authorized and directed to give due notice of exemption of this ordinance from the provisions of CEQA, pursuant to Title 14, California Code of Regulations, section 15062.

On motion of Director Neilson, seconded by Director D. Anderson, the foregoing Ordinance is enacted and shall take effect on May 2, 2002 by the following roll call of the Board:

AYES: Hailstone, Nelson, & D. Anderson

NAYS: None.

ABSENT: R. Anderson & Rosskamp

By   
Stephen Hailstone, President

ATTEST:  
  
Bryan M. Yamaoka, Secretary

#### CERTIFICATE OF SECRETARY

The undersigned hereby certifies that the foregoing Ordinance was adopted and approved by the Board of Directors at their regular meeting on May 1, 2002.

  
Bryan M. Yamaoka, Secretary

**EXHIBIT A**

**Table 3.40.150**

<b>REGULAR DOMESTIC SERVICE AND INTERRUPTIBLE SERVICE</b>		
<b>RATE SCHEDULE:</b>		
<b>Monthly Service Charges</b>		
Inside District, Improvement Dist. No. 1 and S.B.C.W.D.* Zone 3	Inside Imp. District No. 1 and Outside S.B.C.W.D. Zone 3	Outside District
\$4.60	\$4.95	\$5.50
<b>Monthly Quantity Rates</b>		
<b>Regular Domestic Service and Interruptible Service</b>		
	Inside District, Imp. Dist. #1 and S.B.C.W.D. Zone 3	Inside Imp. Dist. #1 and Outside S.B.C.W.D. Zone 3
1 <sup>st</sup> 2000 cu. ft. per 100 cu. ft./unit	\$0.73	\$0.80
Next 4000 cu. ft. per 100 cu. ft./unit	1.02	1.09
Over 6000 cu. ft. per 100 cu. ft./unit	2.47	2.54
		Outside District
		\$0.90
		1.19
		2.64
<b>Monthly Meter Maintenance and Replacement Charges for All Classes of Service</b>		
Size of Meter	Charge per Meter	
5/8" x 3/4"	\$1.40	
1"	2.18	
1 1/2"	2.53	
2"	3.34	
3"	13.57	
4"	19.78	
6"	30.51	
8"	48.40	
<p><u>All the rates and charges set forth above shall be increased by sixteen percent (16%) on December 21, 2002, and by an additional sixteen percent on December 21, 2003.</u></p>		
* San Benito County Water District		

EXHIBIT B

Table 4.36.060

**SEWER SERVICE CHARGES**

<u>Facility Serviced</u>	<u>Charge per Month</u>
1. Single-family dwelling	\$17.60
2. Multiple-family dwellings, duplexes, flats and apartments	13.40/unit
3. Cottages, auto courts, motels, trailer parks, laundries, laundrettes and similar uses	1.14/HCF of metered water use
4. Commercial and industrial (including office buildings, businesses, restaurants, bars, theaters, hotels, rooming houses, schools, churches, fabrication, processing, service stations, garages, chemical plants and similar uses)	1.50/HCF of metered water use

All the rates and charges set forth above shall be increased by ten percent (10%) on December 21, 2002, and by an additional ten percent on December 21, 2003.

**Notice of Exemption**

Appendix E

To:  Office of Planning and Research  
1400 Tenth Street, Room 121  
Sacramento, CA 95814

From: (Public Agency) Sunnyslope County Water District  
3416 Airline Hwy  
Hollister, CA 95023

County Clerk  
County of San Benito

**FILED**

IN SAN BENITO COUNTY

MAY 10 2002

JOHN R. HODGES, CLERK  
BY BELINDA FISHER  
DEPUTY CLERK

**Project Title:** Water & Wastewater Rate Increase

**Project Location - Specific:** Sunnyslope County Water District - Water Service Boundary

**Project Location - City:** Hollister **Project Location - County:** San Benito

**Description of Nature, Purpose, and Beneficiaries of Project:**

Ordinance amending rates, fees, and charges for water and sewer services within  
Sunnyslope County Water District

**Name of Public Agency Approving Project:** Sunnyslope County Water District

**Name of Person or Agency Carrying Out Project:** Sunnyslope County Water District

**Exempt Status:** *(check one)*

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number:
- Statutory Exemptions. State code number: Section 15273 State CEQA 14 CCR 15273

**Reasons why project is exempt:** To meet financial needs and requirements for Pooled Revenue  
Bonds Debt.

**Lead Agency**

**Contact Person:** Bryan M. Yamaoka Area Code/Telephone/Extension: 831-637-4670

**If filed by applicant:**

- 1. Attach certified document of exemption finding.
- 2. Has a Notice of Exemption been filed by the public agency approving the project?  Yes  No

Signature: Bryan Yamaoka Date: May 3, 2002 Title: General Manager

Signed by Lead Agency

Date received for filing at OPR:

Signed by Applicant

Revised October 1989