

SUNNYSLOPE COUNTY WATER DISTRICT

ORDINANCE NO. 68

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

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 on July 16, 2009.
- B. 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 District Office at least five days prior to the Board meeting of July 16, 2009. Certificates of publication are on file with the District.
- C. 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.
- D. The District mailed Notice of Public Hearing on the Proposed Water Rates, dated May 22, 2009, along with the proposed new rate schedule, to each customer receiving water service from the District. A public hearing was thereafter held not less than 45 days after mailing the notice at which time the District Board received, heard and considered protests to the proposed new rate schedule and rate increases.
- E. Rates for regular water service and for interruptible service are established by Article III, Section 3.40.150 and Table 3.40.150 of the District Code.
- F. Rates, fees and charges for water service were last adjusted by Ordinance 62 on December 21, 2006. The amended rates, fees and charges were effective immediately upon adoption. This Ordinance 68 provides for scheduled rate increases for monthly water service charges of 5% on July 21, 2009, 5% on December 21, 2009, and 15% on December 21, 2010, effective, respectively, on July 21, 2009, December 21, 2009, and December 21, 2010, and a five tier rate structure for monthly consumption charges in place of the existing three tier rate structure for single family residences and a uniform consumption charge for non-single family water customers, effective December 21, 2009.
- G. The District has received recommendations from its financial consultant, Bartle Wells Associates that certain rate amendments are necessary and appropriate to meet the District's revenue requirements to provide funds for water service, including to meet the District's payment and reserve obligations, including obligations under the District's CSCDA Series 2002A Revenue Bond pooled financing. Specifically, the consultant recommends scheduled rate increases for water services of 5% on July 21, 2009, 5% on December 21, 2009, and 15% on December 21, 2010, effective, respectively, on July 21, 2009, December 21, 2009, and December 21, 2010, and for a five tier rate structure for monthly consumption charges in place of the existing three tier rate structure for single family residences and a uniform consumption charge for non-single family water customers, effective December 21, 2009.
- H. The amended rates, fees and charges for water services are 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, (4) replacement and repair of water system facilities to maintain service within

existing service areas, (5) meeting short-term capital project costs associated with the Hollister Urban Area Wastewater Management Plan (HUA WWMP) and (6) encouraging water conservation through a tiered rate structure in accordance with sections 375 and following of the California Water Code. The District's General Manager and the District Engineer advise and the Board finds that the District has limited water supplies available and that a rate structure to encourage conservation is necessary and appropriate for the District.

I. The HUA WWMP requires that all customers receive water that meets specific goals for quality and hardness. The District must implement the changes needed to meet these drinking water quality goals of less than 120 milligrams per liter of hardness and less than 500 milligrams per liter of total dissolved solids. Water capital projects totaling \$12.5 million are needed over the next three years to meet HUA WWMP goals.

J. Water rates have not increased since December 2006. During that time the cost to provide water service to residents and businesses in the Sunnyslope service area has increased because of the cost of energy, chemicals, and raw materials to repair and maintain 57 miles of water pipelines.

K. 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.

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.

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

Section 3. Purpose of Ordinance. This Ordinance amends Article III, Section 3.40.150 and Table 3.40.150 of the Sunnyslope County Water District Code.

Section 4. Water Rate Schedule Amended. Article III Section 3.40.150 of the District Code is amended by amending Table 3.40.150, such that Table 3.40.150 reads in full as set forth in Exhibit "A" to this Ordinance, incorporated by this reference, to provide scheduled rate increases for water services of 5% on July 21, 2009, 5% on December 21, 2009, and 15% on December 21, 2010, effective, respectively, on July 21, 2009, December 21, 2009, and December 21, 2010, and for a five tier rate structure for monthly consumption charges in place of the existing three tier rate structure for single family residences and a uniform consumption charge for non-single family water customers, effective December 21, 2009.

Section 5. 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.

Section 6. Effect of Repeal or Amendment 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 7. 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 that are not unconstitutional, invalid, or superseded shall remain in full force and effect and shall be enforced according to their terms.

Section 8. 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 9. Effective Date. This Ordinance shall take effect immediately on adoption.

Section 10. Judicial Review. Any judicial review of this Ordinance shall be by writ of mandate under Code of Civil Procedure Section 1085. Any action or proceeding seeking to attack, review, set aside, void or annul this Ordinance shall be commenced within 90 days after the adoption of this Ordinance.

Section 11. Publication and Posting. Within 10 days after adoption, the District shall publish, in a newspaper published in San Benito County and circulated within the District, the full text of this Ordinance, 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 12. 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 Hailstone, seconded by Director Anderson, the foregoing Ordinance Number 68 is enacted and shall take effect on July 16, 2009, by the following roll call of the Board:

AYES: Directors Keck, Hailstone, and Anderson

NAYS: Director Meraz

ABSENT: Director Nelson

ATTEST:


Bryan M. Yamaoka, Secretary

By 
Douglas Keck, President

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 July 16, 2009.


Bryan M. Yamaoka, Secretary

EXHIBIT "A"
Amended Table 3.14.150

Proposed Rates - 5% Increase Effective 7/21/09

Monthly Service Charge Meter Size	Inside District and SBCWD	Inside District		Special Code
		Outside SBCWD Zone 3	Outside District	
5/8"	\$14.55	\$15.38	\$16.73	
3/4"	\$14.55	\$15.38	\$16.73	
1"	\$16.42	\$17.25	\$18.60	\$16.43
1 1/2"	\$17.24	\$18.07	\$19.41	
2"	\$19.23	\$20.06	\$21.40	\$21.40
3"	\$43.85		\$46.02	
3" fire hydrant	\$67.13	\$67.77	\$68.80	
4"	\$58.81		\$60.98	
6"			\$86.88	\$84.69
8"	\$127.83		\$130.00	\$130.02
Monthly Consumption Rate (per HCF)				
Tier 1	\$1.76	\$1.97	\$2.18	
Tier 2	\$2.49	\$2.70	\$2.91	
Tier 3	\$6.03	\$6.12	\$6.45	
Single Family Residential (SFR) Tiers				
Tier 1: 0-20 HCF	Non-SFR Tiers			
Tier 2: 21-60 HCF	Varies			
Tier 3: Over 60 HCF	Varies			

Proposed Rates Effective 12/21/09

Monthly Service Charge				
All Customers (Inside District & SBCWD, Inside District & Outside SBCWD - Zone 3, Outside District)				
Meter Size	Water Meter	Fire Meter		
5/8"	\$15.28	\$3.06		
3/4"	\$16.81	\$3.36		
1"	\$21.39	\$4.28		
1 1/2"	\$27.50	\$5.50		
2"	\$44.31	\$8.86		
3"	\$168.08	\$33.62		
3" fire hydrant				
4"	\$213.92	\$42.78		
6"	\$320.88	\$64.18		
8"	\$443.12	\$88.62		
Monthly Consumption Rate (per HCF)				
Single Family Residential	Inside District and SBCWD	Inside District Outside SBCWD Zone 3	Inside District Outside SBCWD Zone 3	Special Code
Tier 1: 1-10 HCF	\$1.76	\$1.82	\$2.11	
Tier 2: 11-20 HCF	\$2.00	\$2.06	\$2.40	
Tier 3: 21-40 HCF	\$2.49	\$2.55	\$2.99	
Tier 4: 41-60 HCF	\$3.40	\$3.46	\$4.08	
Tier 5: Over 60 HCF	\$6.40	\$6.46	\$7.68	
Monthly Consumption Rate (per HCF)				
Non-Single Family Residential			\$2.18	\$2.54
All water consumption				

Proposed Rates Effective 12/21/10

Monthly Service Charge				
All Customers (Inside District & SBCWD, Inside District & Outside SBCWD - Zone 3, Outside District)				
Meter Size	Water Meter	Fire Meter		
5/8"	\$17.57	\$3.51		
3/4"	\$19.33	\$3.87		
1"	\$24.60	\$4.92		
1 1/2"	\$31.63	\$6.33		
2"	\$50.95	\$10.19		
3"	\$193.27	\$38.65		
3" fire hydrant				
4"	\$245.98	\$49.20		
6"	\$368.97	\$73.79		
8"	\$509.53	\$101.91		
Monthly Consumption Rate (per HCF)				
Single Family Residential	Inside District and SBCWD	Inside District Outside SBCWD Zone 3	Inside District Outside SBCWD Zone 3	Special Code
Tier 1: 1-10 HCF	\$2.02	\$2.08	\$2.42	
Tier 2: 11-20 HCF	\$2.35	\$2.41	\$2.82	
Tier 3: 21-40 HCF	\$2.95	\$3.01	\$3.54	
Tier 4: 41-60 HCF	\$4.11	\$4.17	\$4.93	
Tier 5: Over 60 HCF	\$7.95	\$8.01	\$9.54	
Monthly Consumption Rate (per HCF)				
Non-Single Family Residential			\$2.50	\$2.93
All water consumption				