

RESOLUTION 01-2016
February 12, 2016

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMBRIA COMMUNITY SERVICES DISTRICT
ADOPTING INCREASED WATER AND SEWER RATES,
EFFECTIVE MARCH 1, 2016

WHEREAS, Government Code Section 61115 provides that the Cambria Community Services District, hereinafter referred to as the "CCSD," may establish, revise and collect rates and other charges for the services and facilities furnished by it; and

WHEREAS, existing CCSD water and sewer rates are not adequate to fund the normal operating costs of the water and sewer utility systems. The approved budget for Fiscal Year 2015-16 includes an operating deficit in the Water Fund of \$254,654 (not including the Sustainable Water Facility operations) and an operating deficit in the Sewer Fund of \$207,317. In addition, there is an immediate need for approximately \$1,000,000 in the Water Fund for critical capital improvements, specifically the replacement of the Fiscalini Water Tank, upgrading the pump station at the Rodeo Grounds and work on the Stuart Street Tank project; and

WHEREAS, the rate increases are necessary because the CCSD's water and sewer utilities rely primarily on revenues from service charges to fund the costs of providing service, and therefore water and sewer rates must be set at levels adequate to fund the costs of operating and maintaining the District's water and sewer systems to support safe and reliable service; and

WHEREAS, key factors driving the need for rate increases include: a need to restore balanced budgets to bring revenues in line with the cost of providing service and restore financial stability, to help fund critical improvements to aging infrastructure, to help fund the District's highest-priority water system capital needs, to provide a minimal prudent level of funding for repairs, replacements, and rehabilitation of aging infrastructure, and to provide for small annual rate increases to keep revenues in line with future cost inflation; and

WHEREAS, the water and sewer rates to be imposed by this Resolution cover no more than the cost that CCSD incurs to provide water and sewer services as detailed in the Water and Sewer Rate Study prepared by Bartle Wells & Associates and reviewed by the Board on November 12, 2015; and

WHEREAS, in accordance with the requirements of Proposition 218, official notice of the proposed increase in water and sewer rates was mailed to each record owner and customer of record, including property owners and tenant customers, on November 13, 2015 to advise of the public hearing (the "Notice"), which was originally scheduled for December 29, 2015; and

WHEREAS, it subsequently came to staff's attention that the Notice contained errors in the zip codes for the Veterans Memorial Building and for the address to submit written

protests, and therefore a Notice of Continued Proposition 218 Public was sent to the parcel owners and tenant customers to advise of the errors, and that the December 29, 2015 public hearing would be opened, comments considered, protests received, and that the public hearing would be continued to February 12, 2016; and

WHEREAS, a public hearing was conducted by the Board of Directors on February 12, 2016, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the proposed increases to the water and sewer rates and to submit written protests; and

WHEREAS, the total number of parcels with the right to protest water rates is 3,937 and the total number of parcels with the right to protest sewer rates is 3,828. To reach a majority protest, 50% + 1 of these parcels, or 1,969 parcels for water rates and 1,915 parcels for sewer rates, are required to protest; and

WHEREAS, after tabulating the protests in accordance with the CCSD's adopted Guidelines for the Submission and Tabulation of Protests, it was determined that a majority protest does not exist; and

WHEREAS, the approval of this Resolution is exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cambria Community Services District that the water and sewer rates, as provided in Exhibit A, attached hereto and incorporated herein by reference, are hereby adopted and shall become effective March 1, 2016.

PASSED AND ADOPTED THIS 12th day of February, 2016.

AYES: *Robinette, Thompson, Behringer, Rice, Sanders*

NOES: *Ø*

ABSENT: *Ø*

Gail Robinette

Gail Robinette, President
Board of Directors

APPROVED AS TO FORM:

Timothy J. Carmel

Timothy J. Carmel, District Counsel

ATTEST: ,

Monique Madrid

Monique Madrid, District Clerk

EXHIBIT A TO RESOLUTION 01-2016

WATER RATES

	Water Rates Effective On or After				
	March 1 2016	January 1 2017	January 1 2018	January 1 2019	January 1 2020
FIXED BI-MONTHLY CHARGES					
Residential (fixed charge per account)	\$25.50	\$26.52	\$27.58	\$28.68	\$29.83
Commercial (fixed charge per meter size)					
<u>Meter Size</u>					
5/8" or 3/4"	\$25.50	\$26.52	\$27.58	\$28.68	\$29.83
1"	63.75	66.30	68.95	71.70	74.58
1-1/2"	127.50	132.60	137.90	143.40	149.15
2" & Larger	255.00	265.20	275.80	286.80	298.30
WATER QUANTITY CHARGES					
<i>Billed based on metered water use (\$/ccf)</i>					
Residential Charges					
<u>Tier</u>	<u>Bi-Monthly Use</u>				
Tier 1	1 - 4 ccf	\$6.50	\$6.76	\$7.03	\$7.31
Tier 2	5 - 16 ccf	8.50	8.84	9.19	9.56
Tier 3	> 16 ccf	9.50	9.87	10.25	10.65
Commercial Charges					
Rate for All Water Use	\$8.50	\$8.84	\$9.19	\$9.56	\$9.94

1 ccf = 100 cubic feet, or approximately 748 gallons

SEWER RATES

	Sewer Rates Effective On or After				
	March 1 2016	January 1 2017	January 1 2018	January 1 2019	January 1 2020
FIXED BI-MONTHLY CHARGES					
Applies to All Accounts	\$56.00	\$58.24	\$60.57	\$62.99	\$65.51
SEWER QUANTITY CHARGES					
<i>Billed per unit of metered water use (\$/ccf).</i>					
Residential Rates	\$3.24	\$3.37	\$3.50	\$3.64	\$3.79
Commercial Rates					
<u>Wastewater Class</u>					
Class 1	\$2.84	\$2.95	\$3.07	\$3.19	\$3.32
Class 2	3.24	3.37	3.50	3.64	3.79
Class 3	4.98	5.18	5.39	5.61	5.83

Class 1 includes lower strength accounts including professional offices, retail stores, laundromats, & schools.

Class 2 includes all other commercial accounts (with standard/domestic strength wastewater) that are not classified Class 1 or Class 3.

Class 3 includes accounts with moderate to high wastewater strength including restaurants, hotels with restaurants, bakeries, mortuaries, markets with meat/seafood/food prep/garbage grinder, and mixed use accounts with an estimated 30% or more sewer discharge from higher strength wastewater flow.

1 ccf = 100 cubic feet, or approximately 748 gallons