

**CLEARLAKE OAKS COUNTY WATER DISTRICT
COUNTY OF LAKE, STATE OF CALIFORNIA**

ORDINANCE NO. 81

An ordinance to amend Water and Sewer Rate Ordinance(s) 73, 74 and 75

BE IT ORDAINED by the Clearlake Oaks County Water District Board of Directors hereby rescinds, repeals and revokes Ordinance(s) 73, 74, and 75 along with all authorizations empowered by the adoption and enactment of said ordinance(s) and all other ordinances, or parts of ordinances, in conflict herewith are, to the extent of such conflict, hereby repealed.

WHEREAS, Clearlake Oaks County Water District (“District”) was formed pursuant to the County Water District Law (“Act”), California Water Code section 30000, et seq., under which it is authorized to provide water and sewer service to land within the District; and

WHEREAS, the Act authorizes the District to fix and collect from its customers fees and charges for the provision of water and sewer services; and

WHEREAS, the District retained the California Rural Water Association (“CRWA”) to perform a water and sewer rate study, which considered the existing systems and rates, and provided the basis for rates to be fixed to adequately cover the cost of operating and capital needs of the District’s systems; and

WHEREAS, the Board has reviewed the CRWA study and determined that existing rates will not be sufficient to generate revenue necessary for prudent operation of the District’s systems; and

WHEREAS, the CRWA study recommends various water and sewer rates based upon expenses and customer classes of service; and

WHEREAS, the District has given notice of the proposed new and increased rates that was mailed to each land owner and District customer not less than 45 days prior to a public hearing held on April 16th, 2015, in accordance with California Constitution Article XIID; and

WHEREAS, the District held public workshops on March 9th, 2015 and March 12th, 2015 concerning the proposed rate change, and a public hearing at a regular Board meeting held on April 16th, 2015; and

WHEREAS, following public comment at the public hearing, the Board considered all comments, verbal and written, and the CRWA study; and

WHEREAS, the General Manager advised the Board that 49 written protests out of a total of 2001 water and sewer connections were received, and the Board determined that a majority protest to the proposed water rates did not exist; and

NOW, THEREFORE, BE IT ORDAINED, by the Clearlake Oaks County Water District Board of Directors as follows:

SECTION 1. FINDINGS

After hearing testimony, considering the evidence offered, and duly deliberating the matters presented, the Board of Directors finds and determines that:

- A. The above recitals are true and correct.
- B. The Board is authorized and empowered to set and fix fees and charges to operate and maintain the District's water and sewer systems.
- C. The proceedings related to the proposed change in water and sewer rates have been duly noticed in compliance with applicable law.
- D. The water and sewer rates set forth in the attached Appendix A - C are not discriminatory.
- E. The rates set forth in the attached Appendix A - C are not excessive, but will provide revenue that does not exceed the costs of providing water and sewer service.

SECTION 2. WATER AND SEWER RATES

Based upon these findings, the Board approves and directs the General Manager to implement the water and sewer rates for fiscal years 2015, 2016, 2017, and 2018, as set forth in Appendix A - C of this Ordinance. All connections for which service is actually used or immediately available will be billed a monthly base rate. If the owner of record wishes to make the connection inactive, a waiver must be signed and notarized, at the sole cost of the customer, and delivered to the General Manager.

SECTION 3. EFFECTIVE DATE

This Ordinance shall become effective 30 days from the date of its enactment, and prior thereto shall be posted and published as required by law. The water and sewer rates shall be applied to the July 2015 billing period.

SECTION 4. ANNUAL REVIEW OF WATER RATE

Annually, the Board will review the expenses, costs, and revenue of the District as compared to the projections used in the CRWA study. The Board will then determine if the rates for the coming year will be modified in accordance with the study. The Board cannot authorize rates that exceed the rates presented for any specific year as provided in the notice and hearing in accordance with California Constitution Article XIID.

The foregoing Ordinance was introduced before the Board of Directors on the 16th day of April 2015, and passed by the following vote on the 21th day of May, 2015.

AYES: Hudson/Heeszel/Barron/Kiser
NOES: None
ABSTAIN: None
ABSENT: Kuehn

CLEARLAKE OAKS COUNTY WATER DISTRICT



By: Iris R. Hudson
Iris R. Hudson, President

Attest: [Signature]
Richard Kuehn, Vice President

- All physically connected properties, parcels and/or lots are to be billed a monthly base rate whether service is on or off. If owner of record wishes to forfeit their right to said physical service connection(s) a waiver must be signed and notarized at the sole cost of the customer. Customer is required to pay a service disconnection fee. To reconnect the customer will be required to pay the current rate for service connection(s) to the District, excluding capital expansion fees as per the current Billable Fees Resolution. (ie: Inspection fees)

Definitions:

- Residential: a property, parcel and/or lot with a service connection to the District with or without a structure. Said property, parcel and/or lot will be billed a monthly residential base rate regardless of meter size as per the current enacted rate ordinance. Residential includes: Single Family, Multi Family and RV / Mobile Home Parks that service multiple single family residence with one (1) large meter. Classification when in question is to be determined at the discretion of the Board of Directors.

- Commercial: any property, parcel and/or lot with a service connection to the District with or without a structure. Said property, parcel and/or lot will be billed a monthly commercial base rate according to meter size as per the current enacted rate ordinance. Commercial includes: all uses of property excluding Single Family, Multi Family and RV / Mobile Home Parks. Classification when in question is to be determined at the discretion of the Board of Directors.

- Dwelling: a structure with livable space, a restroom and a kitchen.

- Active (on): a property, parcel and/or lot with a service connection to the District with a meter physically present and turned on. Said property, parcel and/or lot will be billed a monthly base rate as per the current enacted rate ordinance.

- Active (off): a property, parcel and/or lot with a service connection to the District with a meter physically present and turned off or physically removed due to nonpayment or tampering. Said property, parcel and/or lot will be billed a monthly base rate as per the current enacted rate ordinance.

- Inactive: a property, parcel and/or lot with water and/or sewer services available but no water meter installed and physically disconnected from the Districts sewer system. In the event the owner of record has forfeited rights to said service connection(s) and after physical disconnection and inspection by District staff, services will no longer be billed to account on a monthly basis. At the time of connection forfeit current District equipment will be either repurposed or disposed of. Upon reconnection the customer is required to install new District equipment at current cost of time and material.

-Capital Improvement/Replacement Fund: All revenue collected for the capital improvement/replacement fund are to be retained and accounted for in a bank account separate from revenue collected for normal operating expenses. Said revenue is only to be spent on Board approved capital improvement/replacement projects.

- SFD: Revenue Class for Single Family Dwelling. Classification = Residential

- MFD: Revenue Class for Multi Family Dwelling. Classification = Residential

- MHD: Revenue Class for Mobile Home Dwelling. Classification = Residential

- CF: Cubic Feet. All usage is calculated in Cubic Feet, however shown on account in gallons and billed per 100cf or prorated for actual usage and service dates. (7.48 gallons = 1 CF / 748 gallons = 100CF)

- Physical Disconnection: The verifiable removal of service tie-in to District infrastructure at the property line. With this, the water meter will be indefinitely removed from property/parcel and/or lot and service line is to be capped. For sewer disconnections the sewer lateral is to be excavated and capped at the customer's expense.

Water Rates

Residential

<u>Classification: Residential</u>	<u>Base Rate</u>
*Revenue Class: SFD/MFD/MHD	\$37.87

Commercial

<u>Classification: Commercial</u>	<u>Base Rate</u>
Revenue Class: Commercial	
5/8" x 3/4"	\$37.87
1"	\$118.63
1 1/2"	\$237.08
2"	\$379.22
3"	\$711.08
4"	\$1,185.17
6"	\$2,370.23

Usage Rates

Tier 1 (Up to 1,500 CF)	\$1.30 / 100 cf
Tier 2 (1,501 to 2,000 CF)	\$1.50 / 100 cf
Tier 3 (2,001 and Over)	\$2.00 / 100 cf

Billable usage is based on actual consumption

All usage is billed per 100 cf or prorated for actual usage and service dates

*SFD: Single Family Dwelling

*MFD: Multifamily Dwelling

*MHD: Mobilehome Dwelling

Annual Increase Beginning July 2016 of 3% and \$2.00 for CIP

Sewer Rates

Residential

<u>Classification: Residential</u>	<u>Base Rate</u>
*Revenue Class: SFD/MFD/MHD	\$53.30

Commercial

<u>Classification: Commercial</u>	<u>Base Rate</u>
Revenue Class: Commercial	
School - Per Student	\$1.68
RV/Campsite - Per Space	\$15.23
Hotel/Motel-Per Unit	\$24.71
Laundromat-Per Machine	\$33.84
Church	\$52.28
Service/Gas Station- Per Restroom	\$33.84
Beauty/Barber Shop	\$52.28
Restaurant	\$78.69
Restaurant w/Bar	\$133.34
Bar	\$76.18
Bar w/Kitchen/Food Service	\$73.61
Service Club	\$52.28
Service Club w/Kitchen/Food Service	\$73.61
Commercial Office Space	\$52.28
Community Beach - Per Restroom	\$52.28
Fire Protection	\$52.28

*SFD: Single Family Dwelling

*MFD: Multifamily Dwelling

*MHD: Mobilehome Dwelling

Annual Increase Beginning July 2016 of 3% and \$2.00 for CIP