



Pauma Valley Community Services District
ORDINANCES

NO. 52

Approval: 10/27/09

SEWER SERVICE RATE INCREASES

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE
PAUMA VALLEY COMMUNITY SERVICES DISTRICT
ADOPTING RATE INCREASES FOR
SEWER SERVICE FEES

WHEREAS, the Pauma Valley Community Services District (the "District") has not increased the rates for its sewer service fees since January 2006; and

WHEREAS, in order to fund increases in operations and maintenance costs and the costs of infrastructure improvements needed to repair, replace, and upgrades the District's Sewer System (the "System"), the District has determined to increase the rates for its sewer service fees and

WHEREAS, the rate structure for the District's monthly sewer service fees are determined on the basis of the number of equivalent dwelling units ("EDUs") assigned to parcels receiving sewer service and the number of EDUs assigned to a parcel is determined on the basis of its land use and the estimated amount of or type of sewage generated ("customer classification"); and

WHEREAS, the rate for the sewer service fees is proposed to be increased to \$72 per EDU; and

WHEREAS, the District anticipates that it will experience additional inflationary increases in the costs to operate and maintain the System and to provide ongoing repairs, replacements, and upgrades to the System; and

WHEREAS, in order to avoid operational deficits, depletion of reserves, an inability to address infrastructure and sewer quality improvements, and to continue to provide a safe and reliable sewer supply, the District has determined to impose annual inflationary adjustments to the rates for its sewer service fees beginning on July 1, 2010 and each July 1 thereafter through January 1, 2014; and

WHEREAS, the District's rates for sewer service fees are calculated to recover the costs of the District in providing sewer services and to proportionately allocate those costs among the sewer customers; and

WHEREAS, the revenues derived from the sewer service fees will not exceed the funds required to provide sewer services and shall be used exclusively for the System; and

WHEREAS, the sewer service fees will not exceed the proportional cost of the services attributable to each parcel upon which they are imposed; and

WHEREAS, the sewer service fees will not be imposed on a parcel unless the sewer services are actually used by, or immediately available to, the owner of the parcel; and

WHEREAS, the District, as the lead agency under the California Environmental Quality Act ("CEQA"), in consultation with the District's Legal Counsel, prepared a Preliminary Exemption Assessment for the adoption of this Ordinance in order to evaluate its potential impacts. The District determined that this Ordinance is exempt from CEQA review under Public Resources Code section 21080(b)(8) and State CEQA Guidelines section 15273 because the sewer service fees are necessary and reasonable to fund the administration, operation, maintenance, and improvements of the System and will not result in the expansion of the System; and

WHEREAS, California Constitution article XIII D, section 6 ("Article XIII D") requires that prior to imposing any increase to the sewer service fees, the District shall provide written notice (the "Notice") by mail of: (1) the proposed increases to such rates and charges to the record owner of each parcel upon which the rates and charges are proposed for imposition and any tenant directly liable for payment of the rates and charges; (2) the amount of the rates and charges proposed to be imposed on each parcel; (3) the basis upon which the rates and charges were calculated; (4) the reason for the rates and charges; and (5) the date, time, and location of a public hearing (the "Hearing") on the proposed rates and charges; and

WHEREAS, pursuant to Article XIII D such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the rates and charges not less than forty-five days prior to the Hearing on the proposed rates and charges; and

WHEREAS, the District did provide such Notice to the affected property owners and tenants of the proposed Sewer Service Charges in compliance with Article XIII D; and

WHEREAS, the Hearing was held on this day, September 22, 2009; and

WHEREAS, at the Hearing the Board of Directors heard and considered all oral testimony, written materials, and written protests concerning the establishment and imposition of the proposed rate increases for the sewer service fees, and at the close of the Hearing the District did not receive written protests against the establishment and imposition of the proposed rate increases for the sewer service fees from a majority of the affected property owners and tenants directly liable for the payment of the sewer service fees; and

WHEREAS, the Board of Directors of the District now desires to establish and impose the proposed rates for the sewer service fees and authorize future rate increase for inflation; and NOW THEREFORE, the Board of Directors of the Pauma Valley Community Services District does ordain as follows:

1. The Board of Directors finds and determines that the foregoing Recitals are true and correct and incorporates the Recitals herein.

2. As the decision-making body for the District, the Board of Directors has reviewed and considered the information contained in the Preliminary Exemption Assessment and administrative record. The Board of Directors finds that the Preliminary Exemption Assessment contains a complete and accurate reporting of the environmental impacts associated with the adoption of this Ordinance and reflects the independent judgment of the Board.

3. The Board of Directors hereby finds that the administration, operation, maintenance, and improvements of the System, which are to be funded by the sewer service fees set forth herein, are necessary to maintain service within the District's existing service area. The Board of Directors further finds that the administration, operation, maintenance, and improvements of the System, to be funded by the sewer service fees set forth herein, will not expand the System. The Board of Directors further finds that such sewer service fees are necessary and reasonable to fund the administration, operation, maintenance, and improvements of the System. Based on these findings, the Board of Directors hereby determines that this Ordinance is exempt from the requirements of CEQA pursuant to California Public Resources Code section 21080(b)(8) and State CEQA Guidelines section 15273(a).

4. The documents and materials that constitute the record of proceedings on which these findings have been based are located at Pauma Valley Community Services District, 331329 Cole Grade Road, Pauma Valley, California 92061. The custodian for these records is the Secretary of the District.

5. Effective November 27, 2009, the Board of Directors hereby adopts and authorizes the sewer services fees be established at the rate of \$72.00 per EDU in accordance with the rate schedule attached hereto as Exhibit A and by this reference incorporated herein. Such rate shall be applicable to any and all wastewater transported, treated, and billed to property owners and sewer customers on or after November 27, 2009.

6. The Board of Directors hereby adopts and authorizes the imposition of future annual inflationary adjustments (the "Inflationary Adjustments") to the rates for the sewer service fees for a five-year period, beginning on July 1, 2010, and each July 1 thereafter through and including July 1, 2014, by an amount not to exceed the greater of: (1) the annual percentage increase, if any, in the San Diego Consumer Price Index, All items, 1982=100 for All Urban Consumers ("CPI-U"), as determined by the United States Department of Labor Statistics, or its successor; or (2) 5%. The Inflationary Adjustments shall be equal to the percentage amount derived by comparing the CPI-U rate for March of the previous calendar year, to the percentage amount derived by comparing the CPI-U rate for the most recent March. Provided, however, in no event shall such rates increase as a result of an Inflationary Adjustment by more than 5 % annually and provided further that in no event shall the rates increase by more than the cost of providing sewer service.

Prior to implementing any future rate increases as a result of a Cost of Living Increase, the District Manager shall provide written notice of any such rate increases to sewer customers not less than 30 days prior to the effective date of the rate increases. Any such notice may be provided in the regular billing statements of sewer customers. After notice has been provided in accordance herewith, the Inflationary Adjustments to the rates shall be applicable to any and all wastewater transported, treated, and billed to property owners and sewer customers on or after November 27, 2009.

7. The Board of Directors hereby authorizes and directs the District General Manager to implement and take all actions necessary to effectuate the rates for the sewer service fees set forth herein and to file a Notice of Exemption with the County Clerk for San Diego County within five (5) working days of the date of the adoption of this Ordinance.

8. If any section, subsection, subdivision, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The Board of Directors hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

9. This Ordinance shall supersede all other previous Board of Directors resolutions and ordinances that may conflict with, or be contrary to, this Ordinance.

10. The Board of Directors hereby authorizes future rate increases for sewer service fees, other than the Inflationary Increases as authorized herein, to be adopted by resolution of the Board of Directors pursuant to California Government Code section 61115.

11. In accordance with California Government Code section 25124, within fifteen days after its passage the District Secretary shall cause this Ordinance to be published at least once, with the names of those Board of Directors members voting for or against it, in a newspaper of general circulation published and circulated within the District. If there is no such newspaper, the District Secretary shall cause the ordinance to be posted in at least three public places in the District or published in a newspaper of general circulation printed and published in the county and circulated in the District.

12. This Ordinance shall become effective thirty (30) days from and after its final passage.

13. This Ordinance was introduced and first read at a regular meeting of the Board of Directors of the Pauma Valley Community Services District, California, on September 22, 2009, and thereafter adopted at a regular meeting of the Board of Directors held on the 27th day of October, 2009, by the following vote:

PASSED, APPROVED AND ADOPTED this **27th day of October 2009** by the following vote.

AYES: LaForce, Mathews, Taylor, Warburton

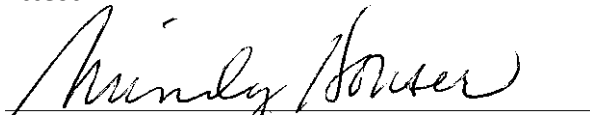
NOES: Meyers

ABSTAIN: None

President Charles Mathews

Pauma Valley Community Services District

Attest:

A handwritten signature in cursive script, appearing to read "Mindy Houser", is written over a horizontal line.

District Secretary

EXHIBIT A
SCHEDULE OF SEWER SERVICE RATES

<u>Customer Classification</u>	<u>EDU's</u>	<u>Proposed Sewer Service Charges</u>
Single Family Residence	1.0	\$72
Apartment house and duplex:		
(1) A 1 bedroom unit	1.0	\$72
(2) A 2 bedroom unit	1.0	\$72
(3) A 3 bedroom unit	1.0	\$72
(4) Thereafter each additional bedroom unit shall equal an additional	.25	\$72 + \$18 for each add'l bedroom
Condominiums:		
Each individual unit	1.0	\$72
Hotels, motels, auto courts:		
(1) Per living unit without kitchen	.50	\$36
(2) Per living unit with kitchen	1.0	\$72
		\$108
Churches, theaters and auditoriums		
Per each unit of seating capacity (a unit being 150 persons or any fraction thereof)	1.50	
Restaurants		
(1) No seating	2.50	\$180
(2) Less than 80 seats per each unit of 7 Seats or fraction thereof	1.00 ¹	\$72
(3) More than 80 seats per each unit of 7seats or fraction thereof	1.00 ¹	\$72
Automobile service stations		
(1) Not more than 4 gasoline pumps	2.00	\$144
(2) More than 4 gasoline pumps	3.00	\$216
Self service laundries		
Per each washer	.75 ¹	\$54
Mobile home and trailer parks		
Per each trailer space:		

¹ Based upon the volume of water consumption and quality of discharge, an additional service charge may be assessed.

<u>Customer Classification</u>	<u>EDU's</u>	<u>Proposed Sewer Service Charges</u>
Mobile home	1.00 ²	\$72
Trailer court	.75	\$54
Recreational vehicle park:		
Per each space, occupied or not	.75	\$54
	.50	\$36
Vacant lots within subdivision containing a developed system of sewer mains		
	1.0	\$72
Stores, offices, small industrial and business establishments not listed above		
First unit ³	1.0	\$72
Each additional unit	.75	\$54
Schools ⁴		
Elementary Schools		
For each 60 pupils or fraction thereof	1.00	\$72
Junior High Schools		
For each 50 pupils or fraction thereof	1.00	\$72
High Schools		
For each 30 pupils or fraction thereof	1.00	\$72

² Any accessory facilities such as laundry, dining, recreational area, residence, etc., shall be considered separately in addition to trailer, spaces.

³ For the purposes of this Customer Classification, a Unit shall be described as:

- (1) Any individual office, store, or small industrial establishment with private sanitary fixtures and gross floor area not exceeding 1,000 square feet; or
- (2) With 1,000 square feet of gross floor area in buildings with public sanitary fixtures only.

⁴ The number of pupils shall be based on the average daily attendance of pupils at the school during the preceding fiscal year computed in accordance with the Education Code of the State of California; provided, however, where the school has had no attendance during the preceding fiscal year, the Manager shall estimate the average daily attendance for the fiscal year for which the fee is to be paid and compute the fee based on such estimate.