

ORDINANCE NO. 2009-03

AN ORDINANCE OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT ADOPTING A SURCHARGE TO FUND CAPITAL IMPROVEMENT PROJECTS

WHEREAS, the Rio Linda/Elverta Community Water District Board of Directors finds that it is necessary to adopt a surcharge to fund Rio Linda/Elverta Community Water District's priority capital improvement projects to come into compliance with the November 19, 2007 State of California Department of Public Health Compliance Order 01-09-07-CO-004; and

WHEREAS, the State of California Department of Public Health issued to the Rio Linda/Elverta Community Water District Compliance Order 01-09-07-CO-004 on November 19, 2007 to come into compliance with Health & Safety Code, Section 116555(a), and the California Waterworks Standards, Title 22, California Code of Regulations (CCR), Chapter 16, Articles 1-5; and

WHEREAS, the Rio Linda/Elverta Community Water District on February 29, 2008 submitted an Application for Construction Funds 2007/2008 to the California Department of Public Health Safe Drinking Water State Revolving Fund for capital improvement projects and the Rio Linda/Elverta Community Water District Board of Directors at the March 4, 2009 and March 9, 2009 Board of Directors Meetings prioritized capital improvement projects to come into compliance with the November 19, 2007 State of California Department of Public Health Compliance Order 01-09-07-CO-004; and

WHEREAS, the basis for the Board of Directors findings is contained in the following documents: the *Rio Linda/Elverta Community Water District Long-Range Financial Plan and Water Rate/Capacity Charge Study – Final Report* dated May 22, 2002 by Reed Consulting Group; the *Rio Linda / Elverta Community Water District Water Master Plan – Final Report, November 2000* by Camp Dresser & McKee; the *Water Master Plan – 2003 Revision*, adopted August 18, 2003; the staff report entitled *Workshop – Water Rates, Operating Costs, Capital Improvements and other District Costs* dated November 5, 2003; Rio Linda/Elverta Community Water District February 29, 2008 Application for Construction Funds 2007/2008 to the California Department of Public Health Safe Drinking Water State Revolving Fund; and the December 19, 2008 California Department of Public Health Compliance Order No. 01-09-07-CO-004; and

WHEREAS, the Rio Linda/Elverta Community Water District Board of Directors held public workshops on the need to increase water rates and/or surcharges for water services on June 23, 2008 and September 8, 2008, and February 2, 2009 and held a noticed May 18, 2009 public hearing on Ordinance No. 2009-03.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Rio Linda/Elverta Community Water District as follows:

Section 1. Purpose. The purpose of this ordinance is to implement a surcharge to fund Rio Linda/Elverta Community Water District's priority capital improvement projects in order to come into compliance with the November 19, 2007 State of California Department of Public Health Compliance Order 01-09-07-CO-004 and for improvements to the water supply system to provide a reliable and adequate supply of pure, wholesome, healthful, and potable water.

Section 2. Findings. The Board of Directors finds and determines as follows:

- The surcharge implemented by this ordinance is in amounts sufficient to pay the expenses of the District's priority capital improvement projects needed to come into compliance with the November 19, 2007 State of California Department of Public Health Compliance Order 01-09-07-CO-004, for improvements to the water supply system to provide a reliable and adequate supply of pure, wholesome, healthful, and potable water, and to pay the principal and interest on California State Water Resources Control Board Clean Water State Revolving Fund, California Department of Public Health Safe Drinking Water State Revolving Fund and/or other loan sources.
 - The surcharge is reasonably related to, and does not exceed, the Rio Linda/Elverta Community Water District's cost of providing water-related services and to comply with the California Department of Public Health Compliance Order 01-09-07-CO-004.
- The revenues derived from the surcharge do not exceed the funds required to provide safe potable water in compliance with the Waterworks Standards specified in Title 22, California Code of Regulations.
- The amount of the surcharge imposed on each water service customer does not exceed the cost of the water service actually delivered or made available to every identified parcel of real property and/or customer within the Rio Linda/Elverta Community Water District's service boundary.
- The District conducted a duly noticed public hearing on May 18, 2008 concerning a proposed rate increase at which the public had the opportunity to speak to the Board of Directors regarding the proposed increase.
- That the following documents form the basis of the above findings: the *Rio Linda/Elverta Community Water District Long-Range Financial Plan and Water Rate/Capacity Charge Study – Final Report* dated May 22, 2002 by Reed Consulting Group; the *Rio Linda / Elverta Community Water District Water Master Plan – Final Report, November 2000* by Camp Dresser & McKee; the *Water Master Plan – 2003 Revision*, adopted August 18, 2003; the staff report entitled *Workshop – Water Rates, Operating Costs, Capital Improvements and other District Costs* dated November 5, 2003; Rio Linda/Elverta Community Water District February 29, 2008 Application for

Construction Funds 2007/2008 to the California Department of Public Health Safe Drinking Water State Revolving Fund; and the December 19, 2008 California Department of Public Health Compliance Order No. 01-09-07-CO-004.

Section 3. The surcharge for water services as set forth in Exhibit 1, which is attached hereto and incorporated herein by this reference, are hereby adopted and established, effective with the May, 2009 billing cycle.

Section 4. Any provision of any ordinance, resolution, fee, charge and/or other policy of the District in conflict with this Ordinance 2009-03 is hereby modified in respect to the requirements provided herein. If any existing fees, charges and/or regulations in effect on the date of adoption of this ordinance are not in conflict herewith, said existing fees, charges and/or regulations shall remain in effect.

Section 5. The General Manager is hereby authorized and directed to enforce all the provisions of these regulations. The General Manager shall have the power to render interpretations of these regulations and establish rules and supplemental regulations in order to clarify the application of its provisions.

ADOPTED on this 18 day of May 2009, after a noticed public hearing, by the following vote:

AYES, in favor hereof: 5 – Harris, Nelson-Hood, Paine, Hafner, and Spicer-Johnson
NOES: 0
ABSTAIN: 0
ABSENT: 0

Mary R. Harris, President
Board of Directors

ATTEST:

Gilbert Tafoya
Secretary/Clerk of the Board

EXHIBIT 1

Title 4, Water System Regulations, Chapter 4.31 FEES, CHARGES AND BILLING of the Rio Linda/Elverta Community Water District's Policy Manual *Water* shall be amended with *Section 4.31.205 California Department of Public Health Compliance Order 01-09-07-CO-004 Capital Projects Surcharge* effective for all bills rendered by the District on, or after, May 19, 2009:

4.31.205 California Department of Public Health Compliance Order 01-09-07-CO-004 Capital Projects Surcharges.

- A. Capital Projects Water Surcharge effective May 19, 2009 for \$10.00.
Bi- monthly May 19, 2009 \$10.00 water surcharge to be terminated upon full payment of the California Department of Public Health Compliance Order 01-09-07-CO-004 capital projects loans.
- B. Capital Projects Water Surcharge effective January 1, 2010 for an additional \$5.00.
Bi- monthly January 1, 2010 \$5.00 water surcharge to be terminated upon full payment of the California Department of Public Health Compliance Order 01-09-07-CO-004 capital projects loans.
- C. Capital Projects Water Surcharge effective January 1, 2011 for an additional \$4.00.
Bi- monthly January 1, 2011 \$4.00 water surcharge to be terminated upon full payment of the California Department of Public Health Compliance Order 01-09-07-CO-004 capital projects loans.