

RESOLUTION NO. 2020-1129
A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ADOPTING SEWER SERVICE CHARGES FOR FISCAL YEAR 2020/21

WHEREAS, the Valley Sanitary District (the "District") is authorized to provide sewer service to properties within its service area, and pursuant to Ordinance 94-115 the Board of Directors established the authority under State law to collect fees and charges for costs reasonably borne and charges levied by the District; and,

WHEREAS, costs for providing sewer service and operating the sewer system have gone up, and the District previously retained Municipal Financial Services, an independent rate consultant, to perform a cost of service analysis and rate study, entitled the Evaluation of Sewer Service Charges; and

WHEREAS, on March 4, 2020, the District held a study session at a special board meeting, reviewing the Evaluation of Sewer Service Charges prepared by Municipal Financial Services; and

WHEREAS, the Evaluation of Sewer Service Charges found that increases and adjustments to the District's sewer service charges are necessary to meet increased costs of providing service and operating the system; and

WHEREAS, based on this analysis, the District is proposing to increase its sewer service charges to \$330 per EDU; and

WHEREAS, the proposed structure for the sewer service charges include an annual flat charge per equivalent dwelling unit ("EDU"), with each EDU equaling 230 Gallons Per Day (GPD); and

WHEREAS, the revenues derived from the sewer service charges will not exceed the funds required to provide the services for which the sewer service charges are imposed, and will be used exclusively for the operation and maintenance of the District's sewer systems; and

WHEREAS, the sewer service charges are equitable to all customer classes; and

WHEREAS, the amount of the sewer service charges will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition; and

WHEREAS, the sewer service charges will not be imposed on a parcel unless the service for which such charge is imposed, is actually used by, or immediately available to, the owner of the parcel; and

WHEREAS, article XIII D, section 6 of the California Constitution ("Article XIII D") requires that prior to imposing any increase to the charges, the District shall provide written notice (the "Notice") by mail of the new or increased sewer service charges to the record owner of each parcel upon which the Charges are proposed for imposition

and any tenant directly liable for payment of the sewer service charges, the amount of the sewer service charges proposed to be imposed on each parcel, the basis upon which the sewer service charges were calculated, the reason for the sewer service charges, and the date time and location of a public hearing (the "Hearing") on the proposed sewer service 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 sewer service charges not less than 45 days prior to the Hearing on the proposed sewer service charges; and

WHEREAS, on May 12, 2020, the Board of Directors held a duly noticed Hearing on the proposed sewer service charges contained in this resolution, and at that time invited oral and written comments from the public; and

WHEREAS, at the time of this writing the District received thirty one (31) written protests to the proposed annual increase to the various annual sewer service charges, and received no additional protests during the Hearing; and

WHEREAS, the Board of Directors now desires to establish sewer service charges for Fiscal Year 2020/21, effective July 1, 2020.

NOW, THEREFORE, the Board of Directors of Valley Sanitary District **HEREBY RESOLVES**:

1. The matters set forth in the recitals to this Resolution are true and correct statements.
2. Written protests against the proposed rates and charges were not presented by a majority of owners.
3. The sewer service charge of \$330 per EDU is hereby approved and adopted.
4. The sewer service charges shall take effect on July 1, 2020.
5. To the extent the sewer service charges set forth in this Resolution conflict with any fee or charge previously adopted by the District, it is the intent of the Board of Directors that these sewer service charges will prevail.
6. In accordance with the California Environmental Quality Act ("CEQA"), Public Resources Code §21000 et seq., and the regulations promulgated pursuant to CEQA ("The State Guidelines") the District Board finds that this Resolution establishes rates and charges for the purposes of meeting operating expenses of the District, meeting financial reserve needs and requirements of the District and obtaining funds for capital projects which are necessary to maintain sewer service within existing service areas in the District. (State Guidelines § 15273).

PASSED, APPROVED, and ADOPTED this 12th day of May 2020, by the following roll call vote. A summary notice thereof has been published twice in a newspaper of general circulation in the Valley Sanitary District prior to said hearing as required by law. Resolution 2019-1115 is hereby repealed at the effective date of this resolution.

AYES: Canero, Coleman, Duran, Sear, Teague
NAYES: None
ABSENT: None
ABSTAIN: None



Mike Duran, President

ATTEST:



Debra Canero, Secretary