ORDINANCE NO. 20-05 OF THE LINDEN COUNTY WATER DISTRICT ESTABLISHING RATES FOR SEWER SERVICE

WHEREAS, the Linden County Water District ("District") operates a wastewater treatment plant and provides sanitary sewer services to the community of Linden; and

WHEREAS, California law allows the District to recover the full cost of providing sewer service to its customers, including the costs of operating, maintaining, repairing, and replacing components of the wastewater treatment plant, pipelines, and other infrastructure through the establishment of sewer service charges ("sewer rates"); and

WHEREAS, the District Board of Directors have examined the District's existing sewer rates, and retained Hansford Economic Consulting LLC ("Consultant") to prepare a Cost-of-Service and Rates Study to determine whether future adjustments to the District's sewer rates are necessary in order to continue to provide sanitary sewer service to the District's customers; and

WHEREAS, the Cost-of-Service and Rates Study was received by the District Board of Directors on October 6, 2020 and made available to the public at the District's Office on October 9, 2020; and

WHEREAS, the Cost-of-Service and Rates Study concluded that the existing sewer rates will not adequately recover the District's costs of providing sewer service to customers over the next five (5) years; and

WHEREAS, the Sewer Rate Schedule developed by the Consultant, attached hereto as Exhibit "A" and incorporated herein by reference, includes the proposed rates for sanitary sewer service over the next five (5) years; and

WHEREAS, the findings and determinations contained herein are based upon the Cost-of-Service and Rates Study documenting the estimated reasonable costs of providing sanitary sewer service to the community of Linden; and

WHEREAS, the Board of Directors of the Linden County Water District hereby find and determine the following with regard to the proposed rate increases to the District's sewer rates:

- 1. The revenues derived from the proposed sewer rates will not exceed the funds required to provide the sewer services;
- 2. The amount of the proposed sewer rates will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed to be imposed;
- 3. The proposed sewer rates will not be imposed on a parcel unless the sewer services are actually used by, or are immediately available to, the owner or tenant of the parcel;
- 4. The proposed sewer rates will not be used for any other purpose that that for which they are imposed;
 - 5. The proposed sewer rates are not levied for general governmental services;

- 6. The proposed sewer rates are not calculated or developed on the basis of any parcel map, but are based upon reasonable estimates of the demand placed upon the District in its role as a provider of the sewer services; and
- 7. The proposed rates represent increases in the charges needed to operate the District's sewer collection and treatment facilities;

and

WHEREAS, the District Board of Directors hereby find and determine that in accordance with the provisions of California Constitution article XIII D, section 6 ("Article XIII D"):

- 1. The District identified the parcels upon which the increased sewer service charges are proposed to be imposed, and calculated the amount of fees or charges to be imposed upon each parcel;
- 2. On October 28, 2020, the District mailed written Notice to its customers, including the owners of each parcel upon which the increase to the sewer rates are proposed for imposition, which explained: (a) the amount of the charges; (b) the basis on which they were calculated; (c) the reason for the proposed increase; (c) the date, time, and location of the public hearing on the proposed increases; and (d) an explanation of the protest-hearing process and instructions for providing a written protest; and
- 3. On December 17, 2020, more than 45 days after mailing the above Notice, the District conducted a public hearing and considered all written protests against the proposed increases to the sewer rates; and
- 4. At the conclusion of the public hearing, written protests against the proposed increases to the sewer service charges were not presented by a majority of customers or property owners subject to the proposed sewer rates:

NOW, THEREFORE, the Board of Directors of the Linden County Water District does ordain as follows:

- **Section 1.** The District Board of Directors hereby adopts the recitals and findings set forth above.
- **Section 2.** The District Board of Directors hereby adopts, by not less than a two-thirds vote, pursuant to Government Code section 5471, the sewer rate schedule set forth in Exhibit "A," attached hereto and incorporated herein by reference;
- **Section 3.** The sewer rates in the sewer rate schedule shall be applied commencing July 1 of each year.
- <u>Section 4.</u> This Ordinance supersedes and voids all prior ordinances, resolutions, and other District actions which are inconsistent with its terms, including all prior ordinances and resolutions establishing or amending sewer rates.
- Section 5. Adoption of this Ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to section 15061(b)(3) of the CEQA Guidelines (14 CCR 15061(b)(3), as it is determined and declared that this Ordinance will not have a significant effect on the environment.

Section 6.	Should any provision of the above Ordinance Codinvalid or unconstitutional section or sections shalthe Ordinance.						
Section 7.	This Ordinance was introduced at the regular method December 17, 2020, and a first reading was w						
	Ayes: Brennan, Fletcher, Blanton, Reed and Knap Noes: None Abstaining: None Absent: None	p					
Section 8.	Section 8. This Ordinance was adopted at the regular meeting of the Linden County Water District January 21, 2021 by the following vote:						
	Ayes: Fletcher, Blanton, Reed and Knapp Noes: None Abstaining: None Absent: None						
Section 9	The District Secretary is hereby authorized ar Ordinance in the manner provided in Government						
Section 10	2. This Ordinance shall become effective thirty (30)	days after adoption.					
	AND ADOPTED by the Board of Directors of the 2021, by the following vote:	Linden County Water District this 21st day					
AYES: NOES: ABSTAIN ABSENT:							
President,	Board of Directors						
ATTEST:		APPROVED AS TO FORM:					
Barbara K District Se		S. Dean Ruiz Legal Counsel					

Exhibit A

PROPOSED WASTEWATER

* OUT Tax Area accounts		Fiscal Year					
		2022	2023	2024	2025	2026	
Residential	Effective	7/1/2021	7/1/2022	7/1/2023	7/1/2024	7/1/2025	
Single Family		\$48.30	\$52.59	\$57.58	\$63.11	\$67.79	
SF Out Tax Area *		\$57.14	\$61.62	\$66.79	\$72.50	\$77.39	
Dual Unit Account		\$84.27	\$91.38	\$99.63	\$108.74	\$116.51	
Non-Residential		per month					
Commercial 1 Unit		\$28.67	\$31.42	\$34.63	\$38.20	\$41.20	
Comm'l 1 Unit Out Tax Area *		\$37.51	\$40.45	\$43.85	\$47.60	\$50.80	
Commercial 2 Units		\$42.06	\$45.86	\$50.29	\$55.19	\$59.34	
Commercial 3 Units		\$105.24	\$113.99	\$124.14	\$135.35	\$144.91	
Bank		\$182.46	\$197.26	\$214.40	\$233.33	\$249.49	
Restaurant		\$75.30	\$81.71	\$89.15	\$97.37	\$104.36	
Grocery		\$904.29	\$975.61	\$1,058.13	\$1,149.18	\$1,227.09	
Laundromat & Car Wash		\$273.31	\$295.22	\$320.59	\$348.60	\$372.53	
Light Industrial		\$100.49	\$108.87	\$118.59	\$129.33	\$138.48	
Schools							
Linden High *		\$600.34	\$647.35	\$701.72	\$761.70	\$813.06	
Linden Elementary *		\$299.76	\$323.23	\$350.38	\$380.33	\$405.98	
Out Tax Area Add'l Cu							
Charge [1]		\$8.85	\$9.03	\$9.21	\$9.40	\$9.60	

^[1] For a new Out Tax Area customer without a rate shown, apply the In Tax rate plus the additional customer charge.