ORDINANCE NO. 2006-1 AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE ARMONA COMMUNITY SERVICES DISTRICT AMENDING WATER AND SEWER RATES

The Board of Directors of the Armona Community Services District does hereby find:

WHEREAS, the Armona Community Services District ("District") is a California community services district formed and existing under and by virtue of the provisions of the Community Services District Law, codified at California Government Code §§ 61000-61800, inclusive, possessing all of the powers of said Law, and all such other acts, laws, and decisions of courts as are amendatory thereof or supplementary thereto, together with all powers, necessary and implied, to give meaning and effect to said Law; and

WHEREAS, said Law provides, at Government Code § 61060, that the District has the power generally to perform all acts necessary to carry out fully the provisions thereof; and

WHEREAS, said Law further provides, at Government Code § 61060(b), that the District may by ordinance adopt regulations binding upon all persons to govern the construction and use of its facilities and property, including regulations imposing reasonable charges for the use thereof; and

WHEREAS, said Law further provides, at Government Code § 61115, that the District may provide for the collection of charges for the services and facilities provided by the District; and

WHEREAS, the Board adopted Ordinance No. 1986-4 on September 24, 1986, establishing water and sewer rates for various categories of use, and repealing prior rate Ordinances; and

WHEREAS, the District thereafter adopted Ordinance Nos. 1989-2, 1991-1, 1996-3, 1998-1, 2000-1, 2001-2, 2004-4 and 2005-2, amending water and sewer rates; and

WHEREAS, certain categories of use require specific rates and rate structures and need further specification within the District's existing rate structure; and

WHEREAS, after consideration of the existing rates and rate structure and future budget requirements at a public meeting and hearing on July 12, 2006, the Board of Directors deems it is in the best interests of the District and the present and future users of District facilities and services, and it is necessary to approve a revised rate structure for water and sewer service to further specify rates for certain categories of uses, and to state all rates in a single Ordinance for clarity and ease of reference; and

WHEREAS, the District's annual financial report dated June 30, 2003 indicates that the District should review its rates and possibly revise its rate structure to include all categories of uses; and

WHEREAS, the District will incur significant expense to meet the U.S. Environmental Protection Agency MCL for arsenic of 10 ppb, which goes into effect January 1, 2006; and

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WHEREAS, the District has expended funds for pilot tests of arsenic removal treatment techniques and technologies; and

WHEREAS, the District is in process of investigations to develop a potential water well at Pioneer School, as a means of possibly obtaining water meeting the arsenic compliance mandate, and has expended funds therefor; and

WHEREAS, the District needs to increase the supply of water available to the District, regardless of the arsenic compliance mandate; and

WHEREAS, the District's wastewater treatment plant needs expansion and updating; and

WHEREAS, the District faces increased costs to pump, treat, and deliver potable water and to receive and treat wastewater; and

WHEREAS, the above mentioned facts and circumstances entail increased costs to the District, and require increased revenue in order for the District properly to carry out its functions and to serve the residents and businesses within its service area.

NOW, THEREFORE, the Board of Directors of the Armona Community Services District does hereby enact as follows:

Section 1: Residential Water Service Rates

A. <u>Metered Rates for Meters 1" and Less in Size</u>. The basic monthly water rate for residential water users within the District shall be a \$20.75 minimum charge which shall cover the first 800 ft³ of water delivered, plus an additional \$1.90 for each 100 ft³ of water in excess of 800 ft³ delivered in any one month.

B. <u>Metered Rates for Meters Larger than 1" in Size</u>. The basic monthly water rates for single family dwellings with meters larger than 1" in size shall be as defined in Table 1. These minimum charges shall cover the first 800 ft³ of water delivered, plus an additional \$1.90 for each 100 ft³ of water in excess of 800 ft³ delivered in any one month.

TABLE 1 Meter Size Basic Monthly Water Rate 1 ¼" \$25.94 1 ½" \$31.13 2" \$41.50

C. <u>Multiple Service Connection</u>. In cases of multi-family and single family residential units where more than one unit is served from one service connection to the District water main, but the units served are under one ownership, the owner of the property shall be charged the basic monthly water rate, described in Subsection A. above, per unit regardless of occupancy. The charges shall be applied to and

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collected from the owner of the multiple unit property. The procedures for the collection of unpaid bills shall be directed to the owner and may include suspension of service to the entire multiple occupancy property.

D. Water Service Outside District Boundaries. All of the aforesaid water service charges shall apply only to patrons whose properties are located entirely within the boundaries of the Armona Community Services District. Water service provided to patrons whose properties are located entirely or partially outside of the boundaries of the Armona Community Services District shall be subject to a 50% surcharge of the foregoing basic rates, added to the foregoing basic rates. No new service outside District boundaries shall be initiated without compliance with Government Code § 56133 by the party requesting such service.

Section 2: **Commercial Water Service Rates**

Commercial Water Rates. The following rates for commercial water users shall apply only to retail, professional and service oriented businesses, including but not limited to, a retail store, barber shop, beauty parlor, professional business establishment, commercial laundry, service station, butcher shop, bar, restaurant, or other consumer-oriented business.

B. Metered Rates for Meters 1" and Less in Size. The basic monthly water rate for commercial water users within the District shall be a \$36.00 minimum charge which shall cover the first 1000 ft³ of water delivered, plus an additional \$1.90 for each 100 ft³ of water in excess of 1000 ft³ delivered in any one month.

Metered Rates for Meters Larger than 1" in Size. The basic monthly water rates for commercial water users served by meters larger than 1" in size shall be as defined in Table 2. These minimum charges shall cover the first 1000 ft³ of water delivered, plus an additional \$1.90 for each 100 ft³ of water in excess of 1000 ft³ delivered in any one month.

TABLE 2	
Meter Size	Basic Monthly Water Rate
1 1/4"	\$ 45.00
1 ½"	\$ 54.00
2"	\$ 72.00
3"	\$ 108.00
4"	\$ 144.00
6"	\$ 216.00
8"	\$ 288.00

Multiple Service Connection. In cases of commercial developments where more than one D. unit is served from one service connection to the District water main, but the units served are under one ownership, the owner of the property shall be charged the basic monthly water rate, described in Subsection B. above, per unit regardless of occupancy. The charges shall be applied to and collected

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GRISWOLD, LASALLE, DBB, DOWD & GIN, L.L.P. 311 NORTH DOUTY STREET P.O. BOX 330 HANFORD, CA 93232-0330 from the owner of the multiple unit property. The procedures for the collection of unpaid bills shall be directed to the owner and may include suspension of service to the entire multiple occupancy property.

E. Water Service Outside District Boundaries. All of the aforesaid water service charges shall apply only to patrons whose properties are located entirely within the boundaries of the Armona Community Services District. Water service provided to patrons whose properties are located entirely or partially outside of the boundaries of the Armona Community Services District shall be subject to a 50% surcharge of the foregoing basic rates, added to the foregoing basic rates. No new service outside District boundaries shall be initiated without compliance with Government Code § 56133 by the party requesting such service.

Section 3: Industrial, School, and Church Water Service Rates

- A. <u>Metered Rates</u>. Water service rates for these types of patrons shall be determined by the Board on a case-by-case basis. The Board shall determine the fee to be charged to such users on the basis of the type of use, the anticipated water usage, the peak demand times and rates, the sizing and location of District facilities necessary to serve the needs of the user, and any other information deemed by the Board to be appropriate for consideration.
- B. Water Service Outside District Boundaries. All of the aforesaid water service charges shall apply only to patrons whose properties are located entirely within the boundaries of the Armona Community Services District. Water service provided to patrons whose properties are located entirely or partially outside of the boundaries of the Armona Community Services District shall be subject to a 50% surcharge of the foregoing basic rates, added to the foregoing basic rates. No new service outside District boundaries shall be initiated without compliance with Government Code § 56133 by the party requesting such service.

Section 4: Fire Protection Water Service Rates

- A. <u>Definition</u>. For the purposes of this section, Fire Protection Water Service shall be any connection to a District water main whose exclusive function is to supply water to a fire suppression system, including but not limited to, automatic fire sprinkler systems, standpipes, on-site fire hydrants, etc., whether privately or publicly owned and not under the direct control of the District.
- B. <u>Flat Rate</u>. The flat monthly rate for these types of services shall be as defined in Table 3, provided that the service is in compliance with Ordinance No. 2003-1 (Rules and Regulations for Backflow Prevention and Cross-Connection Control). Those services not in compliance with Ordinance No. 2003-1, shall be charged a fee to be determined by the Board.

TABLE 3	
Service Size	Basic Monthly Water Rate
Less than 4"	\$ 10.00
4"	\$ 15.00
6"	\$ 20.00

\$ 25.00 \$ 30.00

Testing Fire Protection Systems. Periodic testing of fire protection systems shall be done only with the written approval of the District. The property owner shall be required to file an approved application form with the District and pay a \$25.00 non-refundable processing fee. All testing shall be conducted during the District's normal business hours Monday through Friday. The property owner shall be responsible and held liable for any damage to the District's water system, or any other additional costs incurred by the District caused by the testing. The District shall estimate the amount of water used for testing purposes and bill the property owner for said usage at the rate of \$1.90 per 100 ft³.

In Addition to Other Service Rates. These charges shall be in addition to any other water service rate charged to the patron and shall be added to the monthly billing statement.

Water Service Outside District Boundaries. All of the aforesaid water service charges shall apply only to patrons whose properties are located entirely within the boundaries of the Armona Community Services District. Water service provided to patrons whose properties are located entirely or partially outside of the boundaries of the Armona Community Services District shall be subject to a 50% surcharge of the foregoing basic rates, added to the foregoing basic rates. No new service outside District boundaries shall be initiated without compliance with Government Code § 56133 by the party requesting such service.

Section 5: **Construction Water Service Rates**

Meter Required; Deposit. All water used for construction purposes shall be metered through fire hydrant meters supplied by the District. Use of a fire hydrant meter shall require a deposit of \$700.00 paid to the District prior to obtaining the meter. The meter bailee is responsible for any loss of or damage to such fire hydrant meter and the District may apply all, or a portion of, the subject deposit to account for any loss or damage to such rented fire hydrant meter to the extent of such loss or damage, but such remedy shall not be the District's exclusive remedy and the District is not foreclosed from any seeking any other relief or remedy needed to make the District whole.

- Availability. The availability of water for construction purposes shall be determined by the District on a case-by-case basis.
- C. Service Location. The location of service for construction water shall be determined by the District. This location shall not be changed without the approval of the District.
- D. Metered Rates. The minimum monthly water rates for construction water shall be as defined in Table 4. These minimum charges shall be in addition to \$2.85 for each 100 ft³ of water delivered in any one month.

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Basic Monthly Water Rate
\$ 21.00
\$ 26.00
\$ 31.00
\$ 42.00
\$ 63.00
\$ 84.00
\$ 126.00
\$ 168.00

E. <u>Water Service Outside District Boundaries</u>. All of the aforesaid water service charges shall apply only to patrons whose properties are located entirely within the boundaries of the Armona Community Services District. Water service provided to patrons whose properties are located entirely or partially outside of the boundaries of the Armona Community Services District shall be subject to a 50% surcharge of the foregoing basic rates, added to the foregoing basic rates. No new service outside District boundaries shall be initiated without compliance with Government Code § 56133 by the party requesting such service.

Section 6: Non-Metered Water Rates

- A. <u>Non-Metered Uses</u>. The Board shall determine appropriate charges for all non-metered uses of water on a case-by-case basis.
- B. <u>Availability</u>. The availability of water for all planned non-metered uses of water shall be determined on a case-by-case basis.
- C. <u>Notification of Request for Planned Non-Metered Use of Water</u>. The District shall be notified in writing a minimum of seven days in advance prior to any requested non-metered use of water.
- D. <u>Incidental Uses of Water; Discretionary Waiver of Charges</u>. For the purposes of this section, "incidental uses" of water shall include, but not be limited to, road maintenance activities performed by Kings County Public Works personnel within the District, fire suppression activities conducted by the Kings County Fire Department within the District, firemen's musters, and fire ground training activities conducted by the Kings County Fire Department while training personnel assigned to the Armona Fire Station. Charges for incidental use of water may, in the discretion of the Board, be waived.

Section 7: Residential Sewer Service Rates

A. Residential Sewage Service. Residential properties within the District shall be subject to a flat sewage service rate of \$23.45 per month per dwelling unit. Residential properties served by a sewer lift station owned and operated by the District, shall be charged an appropriate surcharge to pay for the additional cost of operation, maintenance, repair and replacement of said sewer lift station. The Board,

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at its sole discretion, shall determine the amount of any surcharge and may from time to time review and revise said surcharge to reflect current conditions.

- B. <u>Multiple Service Connection</u>. In cases of multi-family and single family residential units where more than one unit is served from one service connection to the District sewer main, but the units served are under one ownership, the owner of the property shall be charged the basic monthly sewer rate, described in Subsection A. above, per unit regardless of occupancy. The charges shall be applied to and collected from the owner of the multiple unit property. The procedures for the collection of unpaid bills shall be directed to the owner and may include suspension of service to the entire multiple occupancy property.
- C. <u>Sewage Service Outside District Boundaries</u>. All of the aforesaid sewer service charges shall apply only to patrons whose properties are located entirely within the boundaries of the Armona Community Services District. Sewer service provided to patrons whose properties are located entirely or partially outside of the boundaries of the Armona Community Services District shall be subject to a 50% surcharge of the foregoing basic rates, added to the foregoing basic rates. No new service outside District boundaries shall be initiated without compliance with Government Code § 56133 by the party requesting such service.

Section 8: Commercial Sewer Service Rates

- A. <u>Commercial Sewer Service</u>. The following rates for commercial properties shall apply only to retail, professional and service oriented businesses, including but not limited to, a retail store, barber shop, beauty parlor, professional business establishment, commercial laundry, service station, butcher shop, bar, restaurant, or other consumer-oriented business.
- B. <u>Commercial Sewage Rates</u>. Commercial properties that are receiving metered water service shall be charged on the basis of water usage during the preceding month at the following rates:

1. Restaurants:

\$5.60 per 100 ft³ of water used with a \$23.45 per month minimum charge;

2. Food processing plants, incl.

butcher shops and lockers:

\$4.40 per 100 ft³ of water used with a \$23.45 per month minimum charge;

3. Commercial laundries:

\$4.75 per 100 ft³ of water used with a \$23.45 per

month minimum; and

4. Other Commercial Uses:

\$23.45 per month flat rate.

C. <u>Sewer Lift Station Surcharge</u>. Commercial properties served by a sewer lift station owned and operated by the District, shall be charged an appropriate surcharge to pay for the additional cost of operation, maintenance, repair and replacement of said sewer lift station. The Board, at its sole discretion

GRISWOLD, LASALLE, DBB, DOWD & GIN, L.L.P. 311 NORTH DOUTY STREET PO. BOX 330 shall determine the amount of any surcharge and may from time to time review and revise said surcharge to reflect current conditions.

- D. <u>Multiple Service Connection</u>. In cases of commercial developments where more than one unit is served from one service connection to the District water main, but the units served are under one ownership, the owner of the property shall be charged the monthly sewer rate, described in Subsection B., and C. above, per unit regardless of occupancy. When the commercial development has multiple units that would have different sewage rates, the rate shall be based on the unit that would have the highest rate. The charges shall be applied to and collected from the owner of the multiple unit property. The procedures for the collection of unpaid bills shall be directed to the owner and may include suspension of service to the entire multiple occupancy property.
- E. <u>Sewer Service Outside District Boundaries</u>. All of the aforesaid sewer service charges shall apply only to patrons whose properties are located entirely within the boundaries of the Armona Community Services District. Sewer service provided to patrons whose properties are located entirely or partially outside of the boundaries of the Armona Community Services District shall be subject to a 50% surcharge of the foregoing basic rates, added to the foregoing basic rates. No new service outside District boundaries shall be initiated without compliance with Government Code § 56133 by the party requesting such service.

Section 9: Industrial, School, and Church Sewer Service Rates

- A. <u>Sewage Rates</u>. Sewer service rates for these types of patrons shall be determined by the Board on a case-by-case basis. The Board shall determine the fee to be charged to such users on the basis of the type of use, the anticipated water usage, the peak demand times and rates, the sizing and location of District facilities necessary to serve the needs of the user, and any other information deemed by the Board to be appropriate for consideration.
- B. Sewer Service Outside District Boundaries. All of the aforesaid sewer service charges shall apply only to patrons whose properties are located entirely within the boundaries of the Armona Community Services District. Sewer service provided to patrons whose properties are located entirely or partially outside of the boundaries of the Armona Community Services District shall be subject to a 50% surcharge of the foregoing basic rates, added to the foregoing basic rates. No new service outside District boundaries shall be initiated without compliance with Government Code § 56133 by the party requesting such service.

Section 10: Repeal of Prior Rate Ordinances

The following Ordinances are hereby repealed: (i) No. 1986-4, other than Section 1 thereof repealing prior rate Ordinances; (ii) No. 1991-1; (iii) No. 1996-3; (iv) No. 1998-1; (v) No. 2000-1; (vi) No. 2001-2; No. 2004-4; and No. 2005-2.

	 		
1	WHEREFORE, this Ordinance was passed and adopted by the Board of Directors of the Armon Community Services District on August 9, 2006, the rates herein to be effective October 1, 2006, by the following vote:		
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4	AYES:	Bittner, Maciel, Franco, Danielson	
5	NOES:	None	
6	ABSENT:	Plooy	
7	ABSTAIN:	None	
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9		ED BITTNER, PRESIDENT	
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11	ATTEST:		
12	America	M. O	
13	JAMES MACIEL, SI	ECRETARY	
14			
15		CERTIFICATE OF SECRETARY	
16	I, James Maciel, the duly appointed and acting Secretary of the Board of Directors of the Armona		
17	Community Services District, do hereby certify that the foregoing Ordinance was passed and adopted at a Regular Meeting of the Board of Directors of the Armona Community Services District, duly held at Armona, California, on August 9, 2006.		
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19	DATED: August 9, 2	006.	
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21		James Mocces	
22		JAMES MACIEL, SECRETARY	
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