

ORDINANCE NO. 2020-01

ORDINANCE INCREASING AND ADJUSTING WATER
SYSTEM SERVICE CHARGES

WHEREAS, it is a major responsibility of the Oceano Community Services District ("District") to maintain adequate levels of revenue to meet the District's financial commitments for the operation and maintenance for water facilities and the replacement of existing facilities in the future which benefit the customer or property being charged; and

WHEREAS, on October 14, 2020, at 6:00 p.m. the District conducted a duly noticed public hearing wherein the Board of Directors considered public comment in support and in opposition to the proposed rate increase and whether or not a majority protest to the proposed rate increase exists pursuant to Section 6 of Article XIII D of the California Constitution. At the conclusion of the public hearing, the Board found that approximately 37 protests were received and that a majority protest did not exist; and

WHEREAS, based on facts and analysis presented in the rate study, written protests received prior to the close of the October 14, 2020 public hearing, the Staff Report, Staff Presentation and public testimony received, the Board of Directors finds:

A. The District has provided tenants and property owners to whom the OCSD customarily mails billing statements for water services and to the record owner's address shown on the last equalized assessment roll a notice on the proposed rates and charges, the amounts of the proposed rates and charges, the basis for the calculations, the reason for the increase in the rates and charges, and the date, time, and location for a public hearing which was not less than 45 days after the date of mailing.

B. The revenues derived from the new water rates and charges will not be used for any purpose other than that for which the charges are imposed.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED, by the Board of Directors of the District as follows:

SECTION 1: In accordance with Article XIID of the California Constitution and the Proposition 218 Omnibus Implementation Act (commencing with Section 53750 of the California Government Code), there are hereby established within the Oceano Community Services District, Charges for Water Service, Other Charges, and a Schedule of Adjustment for the charges as specified in Exhibit "A" hereto, which Exhibit "A" is incorporated herein by this reference, for the purpose of providing water service.

SECTION 2: This ordinance shall take effect and be in full force and effect thirty (30) days after its passage and before the expiration of fifteen (15) days after passage of this ordinance, it shall be published once with the names of the members of the Board of Directors voting for and against the ordinance in a newspaper of general circulation published in the County of San Luis Obispo, State of California.

SECTION 3: Repeal of Prior Ordinances and Resolutions. All ordinances, Resolutions and sections of Ordinances and Resolutions that are inconsistent with this Resolution are hereby repealed. If not inconsistent, such ordinance and resolutions shall

remain in full force and effect.

SECTION 4: Effect of Repeal of Part Actions and Obligations. This Resolution does not affect prosecutions for violations committed prior to the effective date of this Ordinance, does not waive any fee or penalty due and unpaid on the effective date of this Ordinance.

INTRODUCED at a regular meeting of the Board of Directors held on the 12th day of August, 2020, and PASSED, APPROVED and ADOPTED by the Board of Directors of the Oceano Community Services District, this 14th day of October, 2020, by the following roll call vote, to wit:

AYES: Director Gibson, Director Villa, Director Replogle, Vice President White, President Austin

NOES: None

ABSENT: None

ABSTAINING: None

The foregoing ordinance is hereby adopted:




President of the Board of Directors

ATTEST:



Secretary of the Board of Directors

BY: _____

Board Secretary

[SEAL]

APPROVED AS TO FORM AND LEGAL EFFECT:

Jeffrey Minnery
District Legal Counsel

By:



District Legal Counsel

Dated: August 12, 2020

EXHIBIT "A"
SCHEDULE OF WATER SYSTEM SERVICE CHARGES

1. Charges for Water Service (per water service connection).

a) Basic Bi-Monthly Charge for Residential Water Service.

\$60.52 per bi-monthly period per single-family residential unit; for properties where a single meter serves more than one residential dwelling unit, \$45.39 per bi-monthly period per multi-family residential unit and shall be calculated by multiplying the number of multi-family residential dwelling units by the Basic Bi-Monthly Charge.

b) Basic Bi-Monthly Charges for Non- Residential Water Service Connections.

5/8-inch meter	\$	67.57	bi-monthly
3/4-inch meter	\$	82.28	bi-monthly
1-inch meter	\$	125.88	bi-monthly
1-½ inch meter	\$	227.37	bi-monthly
1-inch meter	\$	353.15	bi-monthly
2-inch meter	\$	561.95	bi-monthly
3-inch meter	\$	954.62	bi-monthly
6-inch meter	\$	1,488.35	bi-monthly

For properties where a single meter serves more than one non-residential unit, the bi-monthly "Basic Bi-Monthly Charge" shall be calculated by multiplying the number of non-residential units by the Basic Bi-Monthly Charge.

c) Consumption Charges.

Upon the effective date of this ordinance, in addition to the Basic Bi-Monthly Charges, a "Consumption Charge" shall be calculated based on the following tiers:

- i. Tier One: \$3.30 per 100 cubic feet of water, or fraction thereof, for the bi-monthly use of water up to 600 cubic feet; plus,
- ii. Tier Two: \$6.47 per 100 cubic feet of water, or fraction thereof, for the bi-monthly use of water over 600 cubic feet.

All Consumption Charges shall be calculated by first adjusting the quantities of water in each tier by multiplying the quantities of water stated in this section by the number of residential or non-residential units, to arrive at the quantity of water that will be charged at the rate applicable to each tier. Said number of units shall be the same as utilized to calculate the Basic Bi-Monthly Charges above.

- d) Water supplied through hydrant meters will be charged at \$6.47 per 100 cubic feet of water, or fraction thereof.

2. Other Charges.

a) Program Charges for Fats, Oils and Grease.

For those properties that are subject to the District's Fats, Oils and Grease (FOG) program, the bi-monthly charge shall be \$60 per bi-monthly billing period, or fraction thereof.

b) Late Charges and Door Hanger Fees.

The General Manager is authorized to waive Late Charges and Door Hanger Fees for any residential customer who has not been late in paying their water bills for the prior two years, or since the account was opened if less than two years.

c) Out of District Charge.

For those properties that are outside the District boundaries but are receiving District water or sewer services, not on an emergency basis, there will be a \$9.62 administration charge per billing period per dwelling or non-residential unit.

d) Meter Testing Charge.

A charge of \$150 per test for customers who choose to have their meter tested. This charge will be refunded if the meter is determined to be reading more water than is flowing through the meter per regularly accepted standards.

e) Backflow Preventer Inspection Charge.

For those properties that have backflow preventers, actual inspection program charges by the County of San Luis Obispo will be passed through on the bi-monthly bill.

3. Schedule of Service Charge Adjustments.

The following schedule of adjustments as provided in this Section 3, and pursuant to Government Code Section 53756, are adopted for a period not to exceed five years from the effective date of this Ordinance. Notice of any adjustments pursuant to this section shall be mailed not less than 30 days before the effective date of the adjustment pursuant to Government Code Section 53756(d).

- a) The Consumption Charge in Section 1(c) Tier One shall be adjusted annually every July 1st, for application in the first billing period that starts after July 1st of that year, based on the change in the wholesale water supply contract costs for the Lopez Water Project as compared to the most immediate previous year.
- b) The Consumption Charge in Section 1(c) Tier Two and 1(d) shall be adjusted annually every July 1st, for application in the first billing period that starts after July 1st of that year, based on the change in the wholesale water supply contract cost for the State Water Project as compared to the most immediate previous year.
- c) The Basic Bi-Monthly Charges in Section 1(a) and 1(b) and the Other Charges in Section 2 (c) shall be increased annually every July 1st, for application in the first billing period that starts after July 1st of that year, based on the following schedule:

- July 1, 2021 10%
- July 1, 2022 10%
- July 1, 2023 3%
- July 1, 2024 3%