

OCEANO COMMUNITY SERVICES DISTRICT  
ORDINANCES

1997 - 01 AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE OCEANO  
COMMUNITY SERVICES DISTRICT ESTABLISHING NEW WATER  
SERVICE CHARGES

**OCEANO COMMUNITY SERVICES DISTRICT  
ORDINANCE NO. 1997-1**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE  
OCEANO COMMUNITY SERVICES DISTRICT  
ESTABLISHING NEW WATER SERVICE CHARGES**

**WHEREAS**, in March of 1992 the Oceano Community Services District entered into various contracts for the delivery of 750 acre feet of State Water (herein "State Water Contracts"); and,

**WHEREAS**, the State Water Contracts include an Agreement dated March 1, 1992, by and between the San Luis Obispo County Flood Control and Water Conservation District and the Oceano Community Services District, titled "Water Treatment and Local Facilities Agreement" (herein "Local Facilities Agreement"); and,

**WHEREAS**, the Local Facilities Agreement contained various rate covenants, including Section 12(a), which states:

The Contractor (the District) will fix, prescribe and collect rates and charges for the Contractor Water System which will be at least sufficient to yield during each Fiscal Year Contractor Net Water System Revenues equal to one hundred twenty-five percent (125%) of the Contract Payments for such Fiscal Year. The Contractor may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Contractor Net Water System Revenues from such reduced rates and charges will at all times be sufficient to meet the requirements of this section.

**WHEREAS**, the Board of Directors of the District has been presented with evidence that demonstrates the necessity to increase monthly water service charges to meet its contractual obligations under the State Water Contracts; and,

**WHEREAS**, The District's reserves provides a source of revenues for capital replacement and/or improvements, such as the State Water Project, that increases the District's capacity to provide water service to District's residents; and,

**WHEREAS**, the purpose of this Ordinance is to:

A. Maintain adequate levels of revenue, equitably collected, to meet the District's contractual obligations under the State Water Contracts; and,

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B. To classify and to charge the revenues that make up the District's water reserves with the obligation to fund periodic shortfalls in revenues, if any, collected pursuant to this Ordinance to meet the District's contractual obligation under the State Water Contracts; and,

C. To classify and to charge the revenues that make up the District's water reserves with the obligation to maintain a reserve that equals 25% of the District's State Water Contract payments, each fiscal year, to provide a payment guarantee (step up) for potential defaulting State Water contractors; and,

D. To implement the objective of the San Luis Obispo County General Plan for the District's water supply.

**WHEREAS**, based upon facts and analysis presented by District staff and consultants, and public testimony received, the Board of Directors finds:

A. This public meeting was properly noticed pursuant to Government Code Section 54954.2 (The Brown Act).

B. The fees, rates, and charges that are subject to this Ordinance do not exceed the estimated reasonable costs necessary to comply with the State Water Contracts and other costs of providing water service for which the charges and fees are imposed.

C. That the revenues that make up the District's water reserves are adequate and sufficient to form a classification and be charged with the financial commitments provided in this Ordinance.

D. That the District residents benefit from the logical, long-range approach to financing of public facilities and water supplies.

**NOW, THEREFORE, BE IT ORDAINED** by the Board of Directors of the District as follows:

**Section 1. Authority.** This Ordinance is enacted pursuant to Government Code Sections 61600(a), 61621, 61621.5, and 61623.

**Section 2. Effective 30 Days from Date of Passage**  
Section 1 of Article 1 of Part 3 of the Rules and Regulations of the Oceano Community Services District and Ordinance 1996-1 are hereby repealed in their entirety and replaced with the rates and charges identified on "Exhibit A."

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**Section 3.** The revenues that make up the District's reserves shall be charged with the obligation for payment of periodic shortfalls in revenues, if any, collected pursuant to this Ordinance to meet the District's commitment under the State Water Contracts.

**Section 4.** The revenues that make up the District's reserves shall be charged with the District's contract obligation to maintain a separate account with funds equaling 25% of the District's State Water Contract payments, for each fiscal year, to provide a payment guarantee for potential defaulting State Water contractors, pursuant to Section 11 d of the Local Facilities Agreement.

**Section 5. Inconsistency.** To the extent that the terms of provisions of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior District ordinance(s), motion, resolution, rule, or regulation governing the same subject, the terms of this Ordinance shall prevail with respect to the subject matter thereof and such inconsistent and conflicting provisions of prior ordinances, motions, resolutions, rules, and regulations are hereby repealed.

**Section 6. Severability.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, found to be invalid or unconstitutional, such finding shall not affect the remaining portions of this Ordinance.

The Board hereby declares that it would have passed this Ordinance by section, subsection, sentence, clause, or phrase irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases are declared invalid or unconstitutional.

**Section 7. Effective Date.** This Ordinance shall take effect and be in full force and effect thirty (30) days from date of 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 the Five Cities Times Press Recorder.

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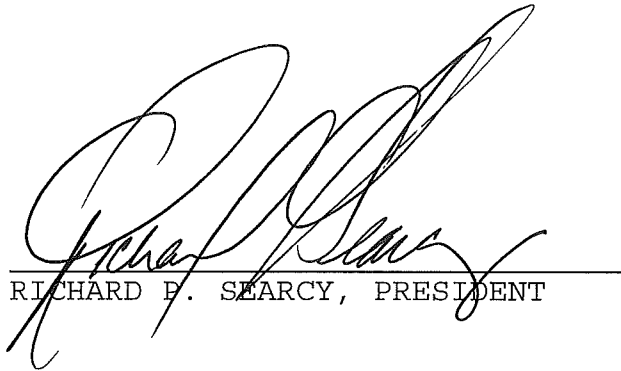
INTRODUCED at a regular meeting of the Board of Directors held on the 26th day of February, 1997, and PASSED AND ADOPTED by the Board of Directors on the 12th day of March, 1997, upon the motion of Director Baughman, second of Director Gallardo, and on the following roll call vote, to wit:

AYES: Director Baughman, Director Angello, Director Brannon,  
Director Gallardo, President Searcy

NOES: None


ABSENT: None

ABSTAINING: None



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RICHARD P. SEARCY, PRESIDENT

ATTEST:



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C. J. WINTER, DEPUTY SECRETARY

**EXHIBIT "A"**  
**TO**  
**OCEANO COMMUNITY SERVICES DISTRICT**  
**ORDINANCE NO. 1997-1**

Effective 4/12/1997

That the following bi-monthly charges for water service are established:

<u>Minimum Bi-Monthly Charges</u>	
<u>Non-Residential Accounts</u>	
5/8" x 3/4" meter	\$ 29.15
3/4" meter	36.55
1" meter	58.40
1 1/2" meter	109.20
2" meter	172.30
3" meter	276.95
4" meter	473.80
6" meter	741.30

The minimum bi-monthly water charge, as listed, allows six hundred cubic feet of water. Additional needs shall be charged at the metered rate of:

7 - 25 ccf	\$ 2.25/ccf
Additional Needs	2.95/ccf

Bi-Monthly Charges  
Residential Accounts

The minimum bi-monthly water charge for residential accounts will be \$23.94, which will allow six hundred cubic feet. Additional needs shall be charged at the metered rate of:

7 - 25 ccf	\$ 2.25/ccf
Additional Needs	2.95/ccf

For meters serving more than one residential dwelling unit, the minimum bi-monthly charge shall be calculated as \$3.99 multiplied by six (hundred cubic feet), multiplied by the number of dwelling units served. All consumption above the minimum, but less than the amount equal to twenty-five multiplied by the number of dwelling units, shall be charged at the metered rate of \$2.25/ccf. Additional needs shall be charged at the metered rate of \$2.95/ccf.

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 \$7.10 administration charge per billing period.