

RESOLUTION 32-2022

May 19, 2022

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMBRIA COMMUNITY SERVICES DISTRICT
ADOPTING WATER AND SEWER RATES, EFFECTIVE JULY 1, 2022
AND FUTURE ANNUAL INFLATIONARY RATE ADJUSTMENTS

WHEREAS, Government Code Section 61115 provides that the Cambria Community Services District ("CCSD") may establish, revise and collect rates and other charges for the services and facilities furnished by it; and

WHEREAS, existing CCSD water, and sewer rates are not adequate to fund the operating, maintenance, and capital improvement costs of each utility; and

WHEREAS, the rate increases are necessary because the CCSD's water and sewer utilities rely primarily on revenues from service charges to fund the costs of providing service, and therefore water, and sewer rates must be set at levels adequate to fund the costs of operating and maintaining CCSD's water, and sewer systems to support safe and reliable service; and

WHEREAS, rate increases in water and sewer and the future annual inflationary rate adjustment to water, water reclamation facility (WRF) and sewer are also necessary to a) support funding for capital improvements primarily needed to repair, replace, and/or upgrade aging infrastructure, and b) to help keep revenues in line with future cost inflation; and

WHEREAS, the water, WRF and sewer rates to be implemented by this Resolution cover no more than the cost that CCSD incurs to provide water, WRF and sewer services as detailed in the Water, WRF and Sewer Rate analysis prepared by Bartle Wells Associates and last reviewed by the Board on March 17, 2022; and

WHEREAS, in accordance with the requirements of Proposition 218, official notice of the proposed water and sewer increases, and water, WRF, and sewer future annual inflationary rate adjustments, and the date, time and location of a public hearing was mailed to each record owner and customer of record, including property owners and tenant customers, on April 1, 2022, 45 days prior to a public hearing scheduled for May 19, 2022.

WHEREAS, a public hearing was conducted by the Board of Directors on May 19, 2022, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the proposed water and sewer rate increases, and water, WRF and sewer future annual inflationary adjustments, and to submit written protests; and

WHEREAS, the total number of parcels with the right to protest proposed water rates is 3,949; and the total number of parcels with the right to protest sewer rates is 3,845. To achieve a majority protest, written protests must be received, and not rescinded, from greater than 50% of these parcels, equivalent to at least 1,975 parcels for water rates, 1,923 parcels for sewer rates, and 1,923 parcels for future annual inflationary rate adjustments to water, WRF, and sewer rates.

WHEREAS, after tabulating the protests in accordance with the CCSD's adopted Guidelines for the Submission and Tabulation of Protests, it was determined that a majority protest does not exist for either the proposed water rates or sewer rates or future annual inflationary rate adjustments to water, WRF and sewer rates; and

WHEREAS, the approval of this Resolution is exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cambria Community Services District that the water, Water Reclamation Facility, and sewer rates, as provided in Exhibit A, attached hereto and incorporated herein by reference, are hereby adopted and shall become effective starting July 1, 2022, at which point they will replace previously-adopted rates. Future rates effective July 1, 2023, July 1, 2024, July 1, 2025 and July 1, 2026 are subject to annual review by the Board of Directors prior to implementation.

PASSED AND ADOPTED THIS 19th day of May, 2022.

AYES: 5

NOES: 0

ABSENT: 0

DocuSigned by:



Donn Howell, President
Board of Directors

APPROVED AS TO FORM:

DocuSigned by:



Timothy J. Carmel, District Counsel

ATTEST:

DocuSigned by:



Leah Reedall, Board Secretary

EXHIBIT A TO RESOLUTION 32-2022

Water Rates				
	Current Water Rates	Rates Effective on or After		
		July 1 2022	July 1 2023	July 1 2024
FIXED WATER SERVICE CHARGES				
Residential				
Monthly Charge	\$18.32	\$19.42	\$20.59	\$21.83
<i>Bi-Monthly Charge</i>	<i>36.64</i>	<i>38.84</i>	<i>41.18</i>	<i>43.66</i>
Commercial				
<u>Monthly Charge per Meter Size</u>				
5/8" or 3/4"	\$18.32	\$19.42	\$20.59	\$21.83
1"	45.80	48.55	Increases effective July 1, 2023 and July 1, 2024 will be adopted via a separate Resolution	
1-1/2"	91.60	97.10		
2" & Larger	183.20	194.20		
WATER QUANTITY CHARGES				
<i>Billed based on metered water use (\$/ccf)</i>				
Residential Charges				
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>		
Tier 1	First 4 ccf	First 2 ccf	\$9.33	\$9.89
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	12.21	12.94
Tier 3	> 16 ccf	> 8 ccf	13.61	14.43
Commercial Charges				
Rate for All Water Use		\$12.21	\$12.94	\$13.72
			\$14.54	

1 ccf = 100 cubic feet, or approximately 748 gallons

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Sewer Rates				
	Current Sewer Rates	Rates Effective on or After		
		July 1 2022	July 1 2023	July 1 2024
FIXED SEWER SERVICE CHARGES				
Residential				
Monthly Charge	\$46.03	\$49.48	\$53.19	\$57.18
<i>Bi-Monthly Charge</i>	<i>92.06</i>	<i>98.96</i>	<i>106.38</i>	<i>114.36</i>
Commercial				
Monthly Charge	\$46.03	\$49.48	\$53.19	\$57.18
<i>Bi-Monthly Charge</i>	<i>92.06</i>	<i>98.96</i>	<i>106.38</i>	<i>114.36</i>
SEWER QUANTITY CHARGES				
<i>Billed based on metered water use (\$/ccf)</i>				
Residential	\$5.32	\$5.72	\$6.15	\$6.61
Commercial				
<u>Wastewater Class</u>				
Class 1 (Low Strength)	\$4.66	\$5.01	\$5.39	\$5.79
Class 2 (Standard Strength)	5.32	5.72	6.15	6.61
Class 3 (Higher Strength)	8.19	8.80	9.46	10.17

Note: 1 ccf = 100 cubic feet, or approximately 748 gallons.

Class 1 includes lower strength accounts including professional offices, retail stores, laundromats, & schools.

Class 2 includes all other commercial accounts (with standard/domestic strength wastewater) that are not classified Class 1 or Class 3.

Class 3 includes accounts with moderate to high wastewater strength including restaurants, hotels with restaurants, bakeries, mortuaries, markets with meat/seafood/food prep/garbage grinder, and mixed use accounts with an estimated 30% or more sewer discharge from higher strength wastewater flow.

The District reserves the right to assign customers to the class that best matches their wastewater strength.

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Future Inflationary Pass-Through Rate Adjustments

Pursuant to California Government Code 53756, CCSD approves future annual inflationary water, water reclamation facility, and sewer rate adjustments for an additional two years after the three years of proposed rate increases. These future rate adjustments will be implemented on or after July 1, 2025 and July 1, 2026 and will be subject to a maximum annual increase based on the percentage change in the Consumer Price Index (CPI) for California from the most recent December-to-December period at the time of implementation. For example, if the CPI increases by 3% from December 2023 to December 2024, CCSD would be authorized to adjust its water, water reclamation facility and sewer rates by a corresponding 3% starting July 1, 2025, with a similar approach used the following year. Deferral of a future inflationary rate adjustment can be made up in a subsequent year. For example, if the adjustment for July 1, 2025 is deferred for a year, it can be added to the adjustment for July 1, 2026. The proposed inflationary rate adjustments will be subject to future review and approval by the Board of Directors. Additionally, in accordance with Government Code Section 53756, a notice indicating the future inflationary rate adjustment will be sent at least 30 days prior to the effective date of the adjustment.