

**RESOLUTION 10-19**

**RESOLUTION OF THE BOARD OF DIRECTORS OF RUNNING SPRINGS WATER DISTRICT ESTABLISHING WATER AND WASTEWATER RATES, FEES AND CHARGES FOR DISTRICT SERVICES, RECEIVING AND FILING THE 2019 RATE STUDY FINAL REPORT AND ADOPTING THE FISCAL YEAR 2019/2020 AND 2020/2021 DISTRICT BUDGET**

**WHEREAS**, Ordinance No. 49 of the Running Springs Water District (“District”) provides that fees and charges for water service will be established by resolution of the District’s Board of Directors; and

**WHEREAS**, it is in the best interest of this District and the public for whom services are provided to have these and other fees and charges set forth in written resolution; and

**WHEREAS**, consistent with the requirements of Article XIID, Section 6 of the California Constitution, on June 19, 2019, this Board of Directors conducted a public hearing to consider an adjustment in certain water and wastewater rates, fees and charges; and

**WHEREAS**, the water service charges are proposed to comprise a monthly base charge, uniform for all customer classes and derived based on the size of the meter serving the property; a water consumption charge, determined based on the amount of water serving the property and measured in dollars per cubic foot (i.e. 7.48 gallons); and, a fire service water meter monthly base charge, determined based on the fire service meter serving the property, and applicable to those properties with a private fire service meter, and the District is further proposing to eliminate separate base charges for landscape irrigation customers and for extra-territorial customers; and

**WHEREAS**, the wastewater service charges are comprised of two components – a fixed monthly sewer base charge, determined on a per equivalent dwelling unit (“EDU”) basis and designed to recover a portion of the District’s fixed costs of operating and maintaining the wastewater system; and, a sewer usage charge, determined based on a customer’s estimated monthly wastewater discharge using water usage data; and

**WHEREAS**, the revenues derived from the proposed Property Related Fees are designed to generate only sufficient revenue to cover the costs of operating the respective utility system, and are allocated proportionately to each parcel served by the District. Revenues will only be used for the purposes for which the Property Related Fees are imposed, and are for services that are actually used or immediately available to parcels subject to the Property Related Fees; and

**WHEREAS**, following the June 19, 2019 public hearing on proposed adjustments to the District’s water and wastewater rates, fees and charges (collectively

referred to herein as the “Property Related Fees”), the Board has determined that the written protests filed in opposition to the proposed increases were far below the level that would prevent the Board from taking action on the proposed increases; and

**WHEREAS**, consistent with Government Code section 66016 the District also conducted a public meeting on June 19, 2019 to consider an increase in water and wastewater connection fees and capacity charges (collectively referred to herein as the “Connection and Capacity Fees”); and

**WHEREAS**, pursuant to Government Code section 66013 and article XIII C, section 1(e)(2) of the California Constitution, the Wastewater Connection and Capacity Fees do not exceed the reasonable estimated costs of providing the services for which they are imposed; and

**WHEREAS**, following the public meeting on proposed increases in water and Wastewater Connection and Capacity Fees, the Board has determined that those proposed increases should also take effect; and

**WHEREAS**, the 2019 Water and Wastewater Rate Study and Capacity Fee Final Reports prepared by Raftelis are being received and filed, copies of which are attached and incorporated herein by reference and have been available for inspection for at least 10 days prior to this meeting; and

**WHEREAS**, consistent with Government Code section 66018, the District also conducted a public hearing on June 19, 2019, to consider an increase to certain miscellaneous fees of the District (referred to herein as the “Miscellaneous Fees”); and

**WHEREAS**, consistent with article XIII C, section 1(e) of the California Constitution, the increased Miscellaneous Fees do not exceed the reasonable costs of the services or products provided, the regulatory activities for which they are imposed, or are imposed as penalties for a violation of District or State law; and

**WHEREAS**, following the public hearing on proposed increases to the Miscellaneous Fees, the Board has determined that those proposed increases should also take effect; and

**WHEREAS**, the proposed water and wastewater rates, fees and charges have been incorporated into the District’s fiscal year 2019/2020 and 2020/2021 budget, a copy of which is attached and incorporated herein by reference;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Running Springs Water District as follows:

1. Rates for Water Service Within District

- (a) Minimum water service charge for connected meters within the District shall vary according to the size of the meter, and shall be billed monthly, as follows:

Residential, Commercial, and Irrigation Customers' Monthly Water Base Charge Rates (\$/meter size)					
Meter Size	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
5/8" x 3/4"	\$34.19	\$35.22	\$36.28	\$37.36	\$38.49
1"	\$79.01	\$81.38	\$83.82	\$86.33	\$88.93
1 1/2"	\$153.70	\$158.31	\$163.06	\$167.95	\$172.99
2"	\$243.33	\$250.63	\$258.15	\$265.89	\$273.87
3"	\$482.34	\$496.81	\$511.72	\$527.07	\$542.88

The calculation for the fixed monthly water service charge per meter size is based on multiples of the manufacturer's recommended normal flow rate in gallons per minute per meter using a 5/8" x 3/4" meter as the base.

Said fixed monthly water service charge shall commence when the meter is installed and shall continue even though a meter may be locked, because the fixed monthly water service charge collects revenues to pay for costs incurred by the District for the provision of water service, such as meter inspection and infrastructure upkeep, which costs are incurred regardless of whether a property is taking water. The fixed monthly water service charge stops only when the meter has been deactivated or disconnected.

- (b) All water consumption recorded by each water meter will result in an additional consumption charge per cubic foot for such water at the volumetric rates listed in the following table, which shall be added to the fixed monthly water service charge for the size of meter indicated above. One (1) cubic foot (CF) equals 7.48 gallons.

Water Volumetric Rates (\$/CF)				
7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
\$0.0483	\$0.0498	\$0.0513	\$0.0528	\$0.0544

The District purchases wholesale water from Crestline-Lake Arrowhead Water Agency (CLAWA) and Arrowbear Park County Water District (APCWD). These costs are recovered through the proposed water volumetric rate. In developing its rates, the District included projected increases in these wholesale water costs as part of its long-range financial plan. To ensure that there are sufficient revenues to provide water services to our customers, the District is also proposing to annually pass through to our customers: (1) any increases in the rates for wholesale water and any other charges that either CLAWA or APCWD imposes on the District that are greater than those projected in the District's long-range financial plan (each a "Pass Through Adjustment"). A Pass Through Adjustment will only impact the rates of the water volumetric rate set forth in the tables above. If approved by the Board of Directors, the District may implement a Pass Through

Adjustment for either CLAWA or APCWD rate increases for a five-year period commencing July 1, 2019, and at any time through and including June 30, 2024. Provided, however, that: (1) any increase in the water volumetric rate described above as a result of any Pass Through Adjustment for either a CLAWA rate increase or a APCWD increase shall not exceed 8% per year; and (2) in no event shall the rates be increased as a result of a Pass Through Adjustment by more than the cost of providing water service. Prior to implementing any Pass Through Adjustment, the District will provide written notice to customers not less than 30 days prior to their effective date.

2. Meter Installation and Connection Fee

(a) The District's fee for water meter installation shall be as follows:

<u>Size of Meter</u>	<u>Installation Fee</u>
5/8" x 3/4"	\$1,091
1"	\$1,310
1½" or larger	\$724 plus actual cost of meter, installation, plus 10%

\* There is an additional charge of \$4,452 per equivalent dwelling unit (EDU) for the Water Facilities Capacity Charge. Refer to Section 3.

(b) Fees shall be paid to the District prior to installation. If the amount of the fee is based upon the cost of the meter and installation plus 10 percent, the General Manager will estimate the fee in advance of installation, and the amount thereof will be deposited with the District. Following installation, the customer shall pay such additional amounts, or the District shall refund such amounts, as may be necessary to reflect the actual fee.

(c) When a request is made to upgrade the size of a meter, the charge shall be the difference between the current installation fees of the meters, provided that the new installation does not require the cutting of the street. If street cutting is required, then the customer will be charged for that cost in addition to the difference in installation fees.

(d) Connection to the District's water system must occur within one year after payment of the water meter installation fee. If connection to the District's water system does not occur within one year after payment of the water meter installation fee, the fee shall be returned to the customer, less a \$50 administration fee and any plan check fees which the District shall retain. If the fee is returned, the customer thereafter may reapply for water service upon payment of the meter installation fee in effect at the time of

reapplication.

- (e) The fee for disconnecting or deactivating and reconnecting or reactivating a water meter account for each EDU or portion thereof, shall be the sum of \$200.

3. Water Facilities Capacity Charge

The Water Facilities Capacity Charge for connecting to the District's water distribution system shall be \$4,452 for each EDU or portion thereof, based on the Equivalent Fixture Unit calculation from the Water Supply Fixture Unit table in the Uniform Plumbing Code in effect at the time of connection. Each 20 Fixture Units shall equal one (1) EDU, except however, that each single-family residence shall be calculated as one (1) EDU. Except for single-family residences, fractional increments over 20 Fixture Units shall be charged on a pro-rated basis. The charge shall apply both inside and outside the District boundary.

Payment of the Water Facilities Capacity Charge is required for the customer to receive the Water Service Application issued by the District. The application will automatically expire one (1) year after the date of issuance.

If the connection to the District's water system does not occur within one (1) year after issuance of the Water Service Application, the Water Facilities Capacity Charge shall be returned to the permittee, less a \$50 administration fee which the District shall retain. Thereafter, the customer may reapply for a Water Service Application upon payment of the Water Facilities Capacity Charge in effect at the time of reapplication.

4. Rates for Fire Meter Service Within District

- (a) Fixed monthly fire meter service charge for connected meters within the District shall vary according to the size of the meter, and shall be billed monthly as follows:

Private Fire Service Water Meter Base Charge (\$/meter size)					
Meter Size	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
1" and smaller	\$3.20	\$3.30	\$3.40	\$3.50	\$3.60
1 1/2"	\$5.40	\$5.56	\$5.73	\$5.90	\$6.07
2"	\$9.18	\$9.46	\$9.74	\$10.03	\$10.34
3"	\$22.77	\$23.45	\$24.16	\$24.88	\$25.63
4"	\$46.20	\$47.59	\$49.02	\$50.49	\$52.00
6"	\$130.30	\$134.21	\$138.24	\$142.39	\$146.66
8"	\$275.36	\$283.62	\$292.13	\$300.89	\$309.92

- (b) The District's fee for fire meter installation shall be billed on a time and material basis. A deposit will be required for all fire meter connections. Following installation, the customer shall pay such additional amounts, or the District shall refund such amounts, as may be necessary to reflect the actual cost. Deposits shall vary according to the size of the meter and are as follows:

Fire Service Water Meter Size (inches)	Deposit Amount
1	\$2,500
1.5	\$3,000
2	\$3,500
3	\$4,000
4	\$4,500

- (c) Based on availability of District staff to complete the work and site-specific construction conditions and requirements the District has the right to request the customer or dually appointed contractor to obtain required permits and install the fire service connection under direction of District appointed inspector.

5. Rates for Residential Landscape Irrigation Meter Within the District

- (a) Fixed monthly residential landscape irrigation meter service charge for connected meters within the District shall vary according to the size of the meter, and shall be billed monthly as per section 1(a). Deposits shall vary according to the size of the meter and are as follows:

Deposit Rates (May be non-refundable):

Landscape Irrigation Meter Size (inches)	Deposit Amount
5/8 x3/4	\$300
1	\$400
1.5	\$600
2	\$800

Refer to Section 1(b) above for Landscape Irrigation Water Consumption Charge per cubic foot, which shall be the same as the Water Service Consumption Charge.

6. Temporary Fire Hydrant Deposit Fees and Charges

Meter Size (inches)	Installation Deposit
3/4	\$100
1	\$150

1.5	\$400
2.5	\$900
Set-up Fee	\$50
Daily Rental Fee	\$2.50
Meter Relocation Fee	\$50
Water Volumetric Charge	Refer to Section 1(b)

7. Water Meter Turn Off/On, Lock/Unlock Charges

District customers who have signed the service application card shall be charged a service fee when the water meter is turned off/on by District employees. Except as provided below, this fee shall apply when the meter is turned off either as a result of a leak regardless of who reports the leak, or when requested by the customer to prevent a leak.

The fee to be charged and collected by the District when turning off/on, locking/unlocking a water meter, between the hours of 7:00 A.M. and 5:00 P.M. shall be \$50 (\$25 per trip). Any customer who requests that a meter be turned off/on or unlocked after normal working hours, from 5:00 P.M. to 7:00 P.M., or on weekends and holidays, will be charged an additional \$50. Meters will not be turned off/on or unlocked after 7:00 P.M. and before 7:00 A.M. Additional time may be required to turn off/on or unlock a meter during inclement weather such as when there is a snow berm on top of the meter box and the fee will be adjusted based on actual time spent.

If the District's Board of Directors has declared a water shortage emergency, an additional charge may be added pursuant to the District's Water Conservation Ordinance.

No charge will be made where the District employees turn the meter off as a result of a water leak that occurs in the plumbing between the District's meter and the control valve (including the valve itself) or where the customer is replacing, repairing or installing a control valve and the request is during normal working hours.

In the event that the nature of the leak or water loss is unclear, and the charge is disputed by the property owner, the General Manager or Administration Supervisor may waive these charges on a one-time basis for the property owner.

8. Customer Service Fee

A \$25 customer service fee will be charged each time a water distribution operator is sent to a residence to lock the meter and the customer calls in

the payment or an extension of time for payment is granted per the request of the customer.

9. Water Meter Tamper/Vandalism Fees

In the event that the District determines its water meter, lock, valve, box, or other facilities have been tampered with or vandalized an additional \$75 tamper/vandalism fee will be charged plus any additional time and material on any repairs.

10. Delinquent Fee

Any past due account for water and sewer services will be charged a delinquent fee in the amount of \$10 or 3% of the unpaid balance, whichever is higher. The delinquent fee will be added to the customer's account balance.

11. Rates and Charges for Wastewater Service

The rates to be charged and collected by the District for wastewater service will commence with the installation of a water meter to the premises and shall be as follows:

Residential And Commercial Wastewater Rates And Charges					
	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
Monthly Base Charge (\$/EDU)*	\$50.98	\$52.51	\$54.08	\$55.71	\$57.38
Wastewater Volumetric Rate (\$/CF)**	\$0.0099	\$0.0102	\$0.0105	\$0.0109	\$0.0112

\*One EDU is the flow associated with a typical single family dwelling. The District can reassess EDUs for each customer to properly estimate sewer flow. \*\*Sewer use (CF) = Water use (CF) x 90%.

12. Sewer Facilities Capacity Charge

The base fee for connecting to the District's sewer system shall be \$5,815 for each EDU or portion thereof, based on Equivalent Fixture Unit calculation from the Drainage Fixture Unit table in the current Uniform Plumbing Code in effect at the time of connection. Each 20 Fixture Units shall equal one (1) EDU, except however, that each single-family residential lot shall be calculated as one (1) EDU. Except for single-family residences, fractional increments over 20 Fixture Units shall be charged on a pro-rated basis. The Sewer Facilities Capacity Charge shall apply both inside and outside the District boundary. The District can reassess EDUs for each customer to properly estimate sewer flow.



Payment of the fee will entitle the customer to a sewer connection permit issued by the District. The permit will automatically expire one year after the date of issuance.

If the connection to the District's sewer system does not occur within one year after issuance of the sewer connection permit, the Sewer Facilities Capacity Charge shall be returned to the permittee, less a \$50 administration fee and any plan check fees, which the District shall retain. If the fee is returned, the customer thereafter may reapply for a sewer connection permit upon payment of the Sewer Facilities Capacity Charge in effect at the time of reapplication.

13. Customer Sewer Service

(a) Hot Taps

The fee for hot tapping shall be the actual cost of time and material, which consists of the regular wage schedule for straight time plus material or overtime plus material (not time chargeable to others).

(b) Plugged Laterals Dye Testing

The user/customer will be responsible for reimbursing the District for time and material if it is determined to be the customer's responsibility for blockage of the building sewer/lateral/sewer line (Refer to Ordinance #49).

14. Sewer Service Outside the District

Customers receiving sewer service outside the District boundaries will be charged for such service in accordance with this District's Policy for Sewer Service and Water Service outside the District as established by resolution of this Board of Directors.

15. Discharge of Pumped Septage Waste (Septic Tanks)

The fee shall be \$50 for each load of 1,500 gallons or less.

16. Service Charge for Pre-Treated Groundwater Discharge into the District's Sewage Collection System

Commercial and industrial users within the Running Springs Water District will be permitted to discharge pre-treated groundwater or construction water into the District's sewage collection system upon successfully completing a water "profile" test of the water to be

discharged into the sewer system. The District will provide for the testing or, at its discretion, may allow the user to provide for testing acceptable to the District.

The tests shall demonstrate to the Running Springs Water District that, (a) the discharge water will not disrupt the treatment process at the wastewater treatment plant, (b) the chemical analysis of the discharge water shows all hydrocarbons and other constituents to be within the threshold limits established by the District and any regulatory agencies, (c) the discharge water is free of the gasoline additive methyl tert-butyl ether (MTBE), and (d) the pre-treated water does not violate the District's Wastewater Discharge Requirements. In the event the water quality samples do not meet the objectives stated above, the District reserves the right to cease accepting groundwater discharge immediately. Provisions shall be provided for the Running Springs Water District to set a meter to measure flows into the sewerage collection system and collect samples from time to time as the District deems necessary. All water sample tests shall be at the applicant's expense.

Applicant shall pay a monthly service charge to the Running Springs Water District based upon the following formula:

$$\begin{aligned} 80 \text{ gpcd} \times 2.6 \text{ (people per dwelling)} &= 208 \text{ gals per day } ^{(1)} \\ 208 \times 30.4 \text{ days} &= 6,323 \text{ gals per month} \\ \text{Current monthly sewer base charge divided by } 6,323 &= \$ \text{ per gallon} \end{aligned}$$

However, since the discharge groundwater will be pre-treated to meet the above requirements, the Biological Oxygen Demand (BOD) and Suspended Solids (SS) at the treatment plant will be nil. Based upon loadings of one-third (1/3) for flow, one-third (1/3) for BOD, and one-third (1/3) for SS <sup>(2)</sup> it can be determined that only the loading for flow will apply or one-third (1/3) the cost of the currently monthly sewer service charge, therefore,

$$\begin{aligned} \$ \text{ per gallon (from above)} \div 3 &= \$ \text{ per gallon} \\ \text{or} \\ \text{Service Charge } \$ \text{ per gallon} \times 7.48 &= \$ \text{ per cubic foot} \end{aligned}$$

<sup>(1)</sup> As set forth in the District's design criteria

<sup>(2)</sup> Formula accepted by E.P.A. and State of California for an Equivalent Service Unit (ESU)

17. Conceptual Development Review Fee

- (a) An hourly rate of \$120 per hour (District expense) will be charged for the research required for investigating feasibility of new developments and other related issues.

(b) The General Manager may deem that the complexity of the conceptual development requires a feasibility study under Section 13.2 of Ordinance No. 49. An initial feasibility study deposit of \$1,500 will be required and the final fee will be based on actual time spent.

18. Plan Checks

- (a) Plan review for issuance of water and sewer letters - \$50
- (b) Plan review with fire flow and construction requirements - \$75
- (c) Sprinkler, alarm, standpipe, extinguishing, or special system review - \$75 plus consultant fee if required
- (d) Additional commercial inspections after the initial inspection and one follow up - \$65
- (e) Technical consultation - \$120 per hour for Department time or actual consultant fee for outside assistance

19. Photocopying Service

- (a) The charge for personal document photocopying for both standard size and legal size copies is \$0.15 cents per sheet.
- (b) The charge for photocopying District documents on the premises by District staff is \$0.15 cents per sheet, plus personnel and overhead costs as determined by the General Manager.
- (c) With the General Manager's approval the District will allow up to 100 copies at no charge for an outside governmental agency in the event of necessity.
- (d) Charges for maps or other large documents that cannot be photocopied on the District's duplicating machine and must be professionally copied will be for direct cost plus District overhead costs.
- (e) The District carries extra copies of more frequently requested material. The charge for these copies is as follows:

<u>Description</u>	<u>Charge</u>
District Boundary Map	As determined by General Manager
District Sphere of Influence Map	\$2.00 each
District Standards/Specifications	\$25.00 each

20. Equipment Fees Chargeable to Others

Air Compressor	\$30/hr.	Backhoe	\$100/hr.
Gas Driven Pump	\$15/hr.	Leak Locator	\$15/hr.
Demolition Saw	\$10/hr.	Pipeline Locator	\$15/hr.
Sewer Jetter	\$50/hr.	Plate Compactor	\$15/hr.
Generator/Welder	\$20/hr.	Road Plate	\$25/Day

21. Returned Checks

The administrative fee for processing checks returned for insufficient funds or for other reasons shall be \$30.

22. Filing of Lien

Upon discontinuance of water service for failure to pay delinquent rates, charges or fees, the District may immediately record a statement of lien with the county recorder of any county in which the customer responsible for paying the delinquency is known or suspected to own real property. The fee for filing of a lien shall be \$50.

23. Delinquent Water/Sewer Bills Collection Fee

When an account has been determined to be delinquent it may be sent to a collection agency and a one-time collection fee of \$40 added to the account.

24. Repeal

This Resolution supersedes and replaces Resolution No. 13-14, which is hereby rescinded. All other resolutions or motions inconsistent herewith, are repealed.

25. Recovery of Costs for Small Claims Court

All costs associated, as approved in statute, with the recovery of small claims court costs for customer delinquent fees.

26. Continuation of Rates after the Fiscal Year Ending in 2024


After the end of the fiscal year ending in 2024, the rates set forth in this Resolution for the fiscal year ending in 2024 shall continue at the same rates in subsequent fiscal years unless hereafter revised by this Board of Directors in the manner provided by law.

27. Adoption of Fiscal Year 2019/2020 and 2020/2021 District Budget

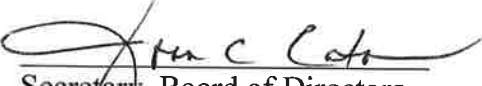
The District budget for Fiscal Year 2019/2020 and 2020/2021 is hereby adopted, as presented to this Board of Directors, but may be hereafter amended by simple motion of the Board. A copy thereof shall be retained by the District and available for review upon request.

ADOPTED this 19<sup>th</sup> day of June 2019

<b>Ayes:</b>	Grabow, Mackzum, Terry, Conrad, Acciani
<b>Noes:</b>	0
<b>Abstentions:</b>	0
<b>Absent:</b>	0

  
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President, Board of Directors  
Running Springs Water District

ATTEST:

  
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Secretary, Board of Directors  
Running Springs Water District

