

ORDINANCE NO. 2018-100

AN ORDINANCE ESTABLISHING THE SEWER SERVICE CHARGES TO BE BILLED BY THE RODEO SANITARY DISTRICT TO ALL CUSTOMERS AND SUPERSEDING ORDINANCE NO. 2013-100

THE DISTRICT BOARD OF RODEO SANITARY DISTRICT HEREBY FINDS, DETERMINES, AND DECLARES AS FOLLOWS:

WHEREAS, the Rodeo Sanitary District (District) has reviewed and instituted a sewer service charge program compatible with the Clean Water Act to finance the yearly operation and maintenance of the District; and

WHEREAS, the Rodeo Sanitary District is required by State law and policy to collect revenue sufficient to cover the cost of operating the sewage collection and sewage treatment systems; and

WHEREAS, the Rodeo Sanitary District has not increased its rates or otherwise added revenue for implementing the Operations Budget since 2013. The three increases from 2013 to 2015 were for capital infrastructure projects only. The District has not had a Sewer Service Fee increase for the past two years. The increase will be phased in over five fiscal years. Effective July 1, 2018, the annual sewer service fee will increase 2.5 percent or \$24.06 per year. Effective July 1, 2019 the proposed increase is one percent or \$9.88 per year, July 1, 2020 the proposed increase is one percent or \$9.96 per year, July 1, 2021 the proposed increase is 2.5 percent or \$25.16 per year, and for July 1, 2022 the proposed increase is one percent or \$10.30 per year; and

WHEREAS, on May 18, 2018, in accordance with Proposition 218 and the Proposition 218 Omnibus Implementation Act, District staff gave written notice to property owners of the proposed Sewer Service Charges for fiscal year 2018/2019, 2019/2020, 2020/2021, 2021/2022 and 2022/2023; and

WHEREAS, on June 28, 2018, and July 5, 2018, the Notice of the Public Hearing to Consider Increase in Sewer Service Charges for 2018/2019, 2019/2020, 2020/2021, 2021/2022 and 2022/2023 was published in a paper of general circulation and posted on June 28, 2018 in three places within the District; and

WHEREAS, on July 10, 2018 the Board conducted the public hearing on the proposed increase for 2018/2019, 2019/2020, 2020/2021, 2021/2022 and 2022/2023 pursuant to the notices described above prior to the enactment of this Ordinance and Resolution No. 2018-4; and

WHEREAS, in accordance with Proposition 218, all notification and procedural requirements were satisfied; and

WHEREAS, the Rodeo Sanitary District has reviewed the present sewer service charge rate schedule and has determined that the residential sewer service charge rate and the non-residential sewer service charge rates require adjustment and modification to obtain revenues sufficient to meet the cost of providing service for Fiscal year 2018-2019 and thereafter, and that the amount of the charge imposed does not exceed the proportional cost of the service attributable to the properties receiving service and the charge is only imposed on those properties actually receiving service or for those which service is immediately available; and

THEREFORE, BE IT ORDAINED by the Board of Directors of the Rodeo Sanitary District as follows:

1. The annual sewer service charges (rates) for residential customers shall be as follows:

RESIDENTIAL FLAT RATE

The annual sewer service charges (rates) for residential customers are as follows for Fiscal Years 2018/2019, 2019/2020, 2020/2021, 2021/2022 and 2022/2023:

Current Rate	Proposed 2018 – 2019 Rate (2.5% Increase \$24.06 more ¹)	Proposed 2019 – 2020 Rate (1% Increase \$9.88 more ¹)	Proposed 2020 – 2021 Rate (1% Increase \$9.96 more ¹)	Proposed 2021 – 2022 Rate (2.5% Increase \$25.16 more ¹)	Proposed 2022 – 2023 Rate (1% Increase \$10.30 more ¹)
\$962.44	\$986.50	\$996.38	\$1,006.34	\$1,031.50	\$1,041.80

Note 1. For the respective fiscal year.

2. The annual sewer service charges (rates) for commercial customers are as follows:

COMMERCIAL RATES

The non-residential commercial rate will be adjusted by the annual percentage rate as residential flat rate customers, as noted below:

Category	Current (per hcf)	Proposed FY 18-19 Rate (hcf)	Proposed FY 19-20 Rate (hcf)	Proposed FY 20-21 Rate (hcf)	Proposed FY 21-22 Rate (hcf)	Proposed FY 22-23 Rate (hcf)
Bars w/o Dining	\$9.28	\$9.51	\$9.61	\$9.70	\$9.95	\$10.05
Restaurants/Food Service	\$16.97	\$17.39	\$17.57	\$17.74	\$18.19	\$18.37
Commercial Professional	\$8.62	\$8.84	\$8.92	\$9.01	\$9.24	\$9.33
Laundromat	\$7.71	\$7.90	\$7.98	\$8.06	\$8.26	\$8.35
Food Markets w/Bakery/Deli	\$16.97	\$17.39	\$17.57	\$17.74	\$18.19	\$18.37
Bakeries	\$16.97	\$17.39	\$17.57	\$17.74	\$18.19	\$18.37
Gasoline/Service/Wrecking	\$9.75	\$9.99	\$10.09	\$10.19	\$10.45	\$10.55

Hospitals/Clinics	\$9.21	\$9.44	\$9.53	\$9.63	\$9.87	\$9.97
Schools/Day Care/Rec.	\$6.36	\$6.52	\$6.58	\$6.65	\$6.82	\$6.88
Category	Current (per hcf)	Proposed FY 18-19 Rate (hcf)	Proposed FY 19-20 Rate (hcf)	Proposed FY 20-21 Rate (hcf)	Proposed FY 21-22 Rate (hcf)	Proposed FY 22-23 Rate (hcf)
Churches	\$5.98	\$6.13	\$6.19	\$6.25	\$6.41	\$6.47
Commercial Laundries	\$16.16	\$16.56	\$16.73	\$16.90	\$17.32	\$17.49
Minimum Charge	\$962.44	\$986.50	\$996.38	\$1,006.34	\$1,031.50	\$1,041.80

Please note that the abbreviation "hcf" stands for hundred cubic feet of water. The District will continue to use information supplied by the water supplier (East Bay Municipal Utility District) concerning your annual water usage (except when, as described below, the minimum charge is applicable). For example, if a Laundromat uses (and discharges) 250 units of water per year, then for the rate proposed to become effective on July 1, 2018 for FY 18-19 would be:
 $(\$7.90 \text{ per hcf}) \times (250 \text{ hcf per year}) = \$1,975.00$

Commercial sewer service charges shall be based on water meter reading or minimum charge, whichever is greater, and will be billed annually. For multiple accounts serviced by a single water meter, each account will be charged at the highest commercial rate or minimum charge for each customer, whichever is greater. Where one or more commercial units are connected to one water meter, the highest rate will be charged or the minimum rates for each unit, whichever is greater. Where an account has multiple uses in one establishment, the use with the highest rate will be charged to all units, or the minimum rate, whichever is greater.

3. Work/Live units occupied by the same tenant shall be broken down into a residential unit, which shall be billed as specified in Section 1 of this Ordinance and the commercial unit shall be billed based on the applicable category in Section 2 of this Ordinance.

4. In addition to the respective sewer service charges set forth above, Rodeo Sanitary District shall impose a Capital Improvements Equalization Fee on commercial and residential users for which no ad valorem tax revenues are received by the District. The vast majority of residential and commercial users provide additional annual revenues to the District as a result of a portion of their ad valorem tax dollars being allocated to the District. However, no tax revenues are received by the District for certain users. This Fee is intended to equalize the amount of the revenues to be received by the District from each similarly categorized user, to more closely align with the proportional cost of service. In order to do so, an additional charge for costs resulting from capital improvements shall be levied on such commercial and residential customers from which ad valorem tax revenues are not received by the District. The Capital Improvement Equalization Charge shall be \$45.00 per year per residential dwelling unit and an amount equal to 17 percent of the Sewer Service Charge set forth in Section 2 for Commercial accounts.

5. The Board of Directors independently finds that this action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15273 (a) (1), (3), and (4) of the State CEQA guidelines because these rates are being established for the purpose of meeting operating expenses necessary to maintain service within the existing service area.

6. This ordinance shall, pursuant to Health and Safety Code section 6490, be published once in the West County Times, a newspaper of general circulation, and circulated within the

Rodeo Sanitary District, and shall be effective July 11, 2018, at which time Ordinance 2013-100 shall be superseded.

PASSED AND ADOPTED this 10th day of July, 2018, by the District Board of the Rodeo Sanitary District by the following vote:

AYES: 4 NOES: 0

ABSENT: 0 ABSTAIN: 0



Connie Batchelder, Board President
Rodeo Sanitary District



Richard Frakes, Secretary of the Board
Rodeo Sanitary District

APPROVED AS TO FORM:



Carl Nelson
District Counsel