

RESOLUTION NO. 22-2020
May 21, 2020

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMBRIA COMMUNITY SERVICES DISTRICT
APPROVING WATER, SUSTAINABLE WATER FACILITY AND WASTEWATER
RATE INCREASES EFFECTIVE JULY 1, 2020

WHEREAS, after holding a public hearing in accordance with the requirements of Proposition 218, on October 4, 2018, the Board of Directors adopted Resolution 27-2018 approving Water, Sustainable Water Facility (SWF), and Wastewater rate increases: and

WHEREAS, after holding a public meeting the Board of Directors conducted an annual review, on May 23, 2019, the Board of Directors adopted Resolution 19-2019 approving Water, SWF, and Wastewater rate increases: and

WHEREAS, Exhibit "A" of Resolution 27-2018 and Resolution 19-2019 provided for rate increases effective on July 1, 2019 and July 1, 2020, which increases are subject to annual review by the Board of Directors prior to implementation; and

WHEREAS, at its meetings on April 28, 2020 and May 13, 2020, the Finance Committee reviewed recommendations to approve the Water, SWF and Wastewater rate increases and made the following determinations:

- a. The need for the rate increases continues and includes ensuring that there are sufficient revenues from service charges to fund the cost of providing service, including the costs of operating and maintaining CCSD's water, SWF and sewer systems to support safe and reliable service.
- b. That the rate increases also continue to be necessary to:
 - i. Support funding for capital improvements primarily needed to repair, replace and/or upgrade aging infrastructure.
 - ii. To help keep revenues in line with the future cost of inflation.
- c. That the rates to be established cover no more than the cost that the District incurs as detailed in the Water, SWF and Sewer Rate analysis prepared by Bartle Wells Associates, which was reviewed and considered by the Board of Directors when the Board approved Resolution 27-2018 and Resolution 19-2019 adopting Water, SWF, and Sewer rates, including rates prescribed to be effective on July 1, 2020 or a future date as determined by the Board; and

WHEREAS, the Finance Committee considered historic actions taken to strengthen financial oversight:

- a. To ensure that the revenues generated from the rates are used for intended purposes, the District has implemented measures to promote accountability, including the following:
 - i. To ensure that the rate increases are spent consistent with the details included in the Bartle Wells analysis, the District Board of Directors established formal goals including an annual Proposition 218 rate review process.
 - ii. To ensure that District goals are carried out, the Board of Directors also assigned specific goals to its standing committees, including the Finance Committee.
 - iii. To ensure that the goal to establish a Proposition 218 rate review process is carried out, the Finance Committee established an ad hoc committee in 2019 to work with District staff in establishing a financial model to monitor actual revenues and expenditures with comparisons to approved budgets and the Bartle Wells analysis and quantification of variances.
 - iv. That the Finance Committee and the Board of Directors have reviewed the financial model, and to promote accountability over the Water, SWF, and Sewer rates, the financial model is now utilized for fiscal year 2019/2020 quarterly reporting budget analysis and will be used for future year budgets and comparisons to the Bartle Wells analysis.
- b. To ensure that the District's operations and maintenance, and implementation of capital projects, major maintenance projects and other programs and activities are cost effective, the Board of Directors also established goals for the Resource and Infrastructure Committee, which has reviewed District programs and projects, priorities, cost estimates and toured District facilities.
- c. To ensure coordination between the District's standing committees, an annual joint meeting will be considered by the committee chairs prior to the meeting whereat the Board of Directors will consider approving the District's annual budget.
- d. That the District's annual budget must include provisions for reserves, and the use of reserves, based on the Bartle Wells analysis that was considered by the Board when Resolution 27-2018 and 19-2019 were approved and to account for the variances between actual revenues collected and actual expenditures.
- e. That the need for the rate increases continue to exist, that the District is implementing goals and measures to help ensure that revenues

generated are utilized for the purposes which they are intended, and that it is in the best interests of the community of Cambria to implement the rate increases prescribed in Exhibit "A" of Resolution 27-2018 and Resolution 19-2019, effective July 1, 2020 or a future date as determined by the Board; and

WHEREAS, at its May 21, 2020 meeting, after giving notice as required by Government Code Section 53756, the Board of Directors conducted a review of the recommendations of the Finance Committee and the need for the Water, SWF, and Wastewater rate increases.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the Cambria Community Services District that the July 1, 2020 Water, SWF, and Wastewater rate increases, as set forth in Exhibit "A" of Resolution 27-2018 and Resolution 19-2019, a copy of which is attached hereto and incorporated herein by reference, are hereby approved and shall be implemented starting September 1, 2020.

PASSED AND ADOPTED this 21st day of May 2020.

DocuSigned by:

Harry Farmer

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Harry Farmer, Board President

ATTEST:

DocuSigned by:

Haley Dodson

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Haley Dodson
Deputy District Clerk

APPROVED AS TO FORM:

DocuSigned by:

Timothy Carmel

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Timothy J. Carmel
District Counsel

EXHIBIT A TO RESOLUTION 22-2020

(ALSO EXHIBIT A TO RESOLUTIONS 27-2018 and 19-2019)

WATER RATES

	Water Rates Effective On or After		
	November 1 2018	July 1 2019	July 1 2020
FIXED WATER SERVICE CHARGES			
Residential			
Monthly Charge	\$15.86	\$17.45	\$18.32
<i>Bi-Monthly Charge</i>	<i>31.72</i>	<i>34.90</i>	<i>36.64</i>
Commercial			
<u>Monthly Charge (based on meter size)</u>			
5/8" or 3/4"	\$15.86	\$17.45	\$18.32
1"	39.65	43.63	45.80
1-1/2"	79.30	87.25	91.60
2" & Larger	158.60	174.50	183.20
<u><i>Bi-Monthly Charge (based on meter size)</i></u>			
5/8" or 3/4"	\$31.72	\$34.90	\$36.64
1"	79.30	87.26	91.60
1-1/2"	158.60	174.50	183.20
2" & Larger	317.20	349.00	366.40
WATER QUANTITY CHARGES			
<i>Billed based on metered water use (\$/ccf)</i>			
Residential			
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>	
Tier 1	First 4 ccf	First 2 ccf	
			\$8.08
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	\$8.89
			\$9.33
Tier 3	> 16 ccf	> 8 ccf	\$11.63
			\$12.21
			\$13.61
Commercial			
Rate for All Water Use			
			\$10.57
			\$11.63
			\$12.21

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

EXHIBIT A TO RESOLUTION 19-2019

SUSTAINABLE WATER FACILITY RATES

	SWF Rates Effective On or After		
	November 1 2018	July 1 2019	July 1 2020
FIXED SERVICE CHARGES			
Residential			
Monthly Charge	\$7.93	\$9.04	\$10.13
<i>Bi-Monthly Charge</i>	15.86	18.08	20.26
Commercial			
<u>Monthly Charge (based on meter size)</u>			
5/8" or 3/4"	\$7.93	\$9.04	\$10.13
1"	19.83	22.60	25.33
1-1/2"	39.65	45.20	50.65
2" & Larger	79.30	90.40	101.30
<u><i>Bi-Monthly Charge (based on meter size)</i></u>			
5/8" or 3/4"	\$15.86	\$18.08	\$20.26
1"	39.66	45.20	50.66
1-1/2"	79.30	90.40	101.30
2" & Larger	158.60	180.80	202.60
QUANTITY CHARGES			
<i>Billed based on metered water use (\$/ccf)</i>			
SWF Quantity Charges			
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>	
Tier 1	First 4 ccf	First 2 ccf	\$1.75
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	3.50
Tier 3	> 16 ccf	> 8 ccf	5.25
			\$1.99
			3.99
			5.98
			\$2.23
			4.47
			6.70

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

EXHIBIT A TO RESOLUTION 19-2019

SEWER RATES

	Sewer Rates Effective On or After		
	November 1 2018	July 1 2019	July 1 2020
FIXED SEWER SERVICE CHARGES			
All Accounts			
Monthly Charge	\$35.74	\$41.10	\$46.03
<i>Bi-Monthly Charge</i>	<i>71.48</i>	<i>82.20</i>	<i>92.06</i>
SEWER QUANTITY CHARGES			
<i>Billed based on metered water use (\$/ccf)</i>			
Residential	\$4.13	\$4.75	\$5.32
Commercial			
<u>Wastewater Class</u>			
Class 1: Low Strength	\$3.62	\$4.16	\$4.66
Class 2: Medium Strength	4.13	4.75	5.32
Class 3: Mod/High Strength	6.36	7.31	8.19

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 as either 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 grinders, and mixed-use accounts with an estimated 30% or more sewer discharge from higher strength wastewater flow.

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

CCSD reserves the right to assign commercial customers to the class that best matches their wastewater strength.