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November 23, 2020

Board of Directors
Triunfo Water & Sanitation District
Ventura County, California

**PUBLIC HEARING FOR DISTRICT ORDINANCE NO. TWSD-350 (Adopted 11/23/20)
PRESCRIBING FEES AND CHARGES FOR POTABLE WATER**

Summary

The Triunfo Water & Sanitation District (District) Board adopted Ordinance No. TWSD-350 (Adopted 5/18/20) (TWSD-350) that took effect on July 1, 2020, billing period. TWSD-350 prescribed monthly water service charges and quantity rates for potable water customers in the District's Service area.

Effective January 1, 2021, the Calleguas Municipal Water District (Calleguas) wholesale supply rate will increase from \$1,472 per acre-foot to \$1,507 per acre-foot, a \$35 per acre-foot increase equivalent to \$0.08 per hundred cubic feet (HCF) retail rate increase.

Staff recommends adoption of a new rate ordinance that, effective with the District's January 2021 billing period, will increase the District's potable water quantity rates across all tiers by eight cents per hundred cubic feet (\$0.08/HCF). This increase results solely from the District's passing through, in accordance with applicable law, the Calleguas wholesale rate increase effective January 1, 2021.

The increases in the District's potable water quantity rates resulting from the pass-through of the Calleguas wholesale water rate increase of \$0.08/HCF are specified in Table I:

Table I

Tier	Monthly Use	Current Rate FY 2021	Proposed Rate 1/1/2021	Rate FY 2022	Rate FY 2023	Rate FY 2024	Rate FY 2025
1	0-7 HCF	\$6.84	\$6.92	\$7.34	\$7.78	\$8.09	\$8.42
2	>7-28 HCF	\$7.75	\$7.83	\$8.30	\$8.80	\$9.15	\$9.52
3	>28 HCF	\$9.48	\$9.56	\$10.13	\$10.74	\$11.17	\$11.62

Note: HCF = 100 cubic feet of water = 748 gallons

TWSD-350 was adopted in compliance with Proposition 218 notice and protest procedures. In accordance with those procedures (and the provisions set forth in

Government Code Section 53756), the District reserved the right to automatically “pass through” increases in wholesale water costs by providing affected parcel owners with mailed notice (message on water bill) of those increases not less than 30 days from the effective date of the increase. The aforementioned mailed notice satisfies the requirements of Proposition 218 with respect to the District’s adoption of the recommended pass-through rate increase.

Please note that any of the quantity rates specified in Table I are, in accordance with applicable law, subject to adjustment by the District should Calleguas adopt further increases or decreases in its potable water wholesale rates.

Please contact me at (805) 658-4621 or marknorris@triunfowsd.com if you have any questions.

Fiscal Impact

Revenue and cost neutral. These rate increases were already reflected in the FY 2020-2021 Adopted Budget.

Recommendation

It is recommended the Board:

- A. Conduct a public hearing regarding proposed revisions to the potable water rates in TWSD Ordinance No. TWSD-350:
 1. Call to order and open the public hearing.
 2. Receive staff report and recommendations.
 3. Report of written communications.
 4. Public comment.
 5. Close public hearing.
 6. Discussion by Board of Directors
- B. Adopt Ordinance No. TWSD-350 which shall take effect with the January 2021 billing period; and
- C. Conduct the second reading, by title only, of Ordinance No. TWSD-350, Prescribing Fees and Charges for Potable Water Provided by Triunfo Water & Sanitation District; and
- D. Direct staff to: (1) Mail notices of the potable water rate increase to the addresses to which TWSD customarily mails parcel owner billing statements so that said notice is received at those addresses no later than December 9, 2020, and (2) Place rate increase information on the Triunfo Water & Sanitation District Website, and (3) Publish an ordinance summary following passage in the Ventura County Star, a newspaper of general circulation published and circulated in the District.

ORDINANCE NO. TWSD-350 (ADOPTED 11/23/20) PRESCRIBING FEES AND CHARGES FOR POTABLE WATER PROVIDED BY TRIUNFO WATER & SANITATION DISTRICT

REVIEWED AND APPROVED


Mark Norris - General Manager

Attachments: 1. TWSD Ordinance No. TWSD-350
2. Sample bill message

TRIUNFO WATER & SANITATION DISTRICT

ORDINANCE NO. TWSD-350 (Adopted 11/23/20) PRESCRIBING FEES AND CHARGES FOR POTABLE WATER PROVIDED BY TRIUNFO WATER & SANITATION DISTRICT

WHEREAS, the Triunfo Water & Sanitation District ("District") is duly organized and established under the laws of the State of California and, as such, is empowered to impose fees and charges relative to the District's provision of services to its service area; and

WHEREAS, the District provides retail potable water service to its customers and charges these customers appropriate service fees and charges designed to cover operating and maintenance expenses associated with the provision of the services; and

WHEREAS, the District has estimated the costs of providing retail potable water service to its customers based on financial information for the current year and the entire operating history of the enterprise; and

WHEREAS, this Ordinance No. TWSD-350 ("Ordinance") prescribes fees and charges pertaining to the provision of retail potable water service to the District's customers; and

WHEREAS, effective January 1, 2021, the Calleguas Municipal Water District ("Calleguas") wholesale supply rate will increase from \$1,472 per acre-foot to \$1,507 per acre-foot, a \$35 per acre-foot increase equivalent to \$0.08 per hundred cubic feet (HCF); and

WHEREAS, in accordance with the Proposition 218 Omnibus Implementation Act (Government Code Section 53750 through 53756) the District has adopted a schedule of potable water rates that authorizes automatic adjustments that pass-through increase in the wholesale cost of potable water, as calculated per hundred cubic feet of water (HCF); and

WHEREAS, the potable water rate increases imposed by this Ordinance solely reflect automatic adjustments that pass-through increases in the wholesale cost of potable water charged by Calleguas, as calculated per hundred cubic feet of water (HCF); and

WHEREAS, in accordance with Government Code Section 53756(d), the District will provide written notice to all affected property owners prior to imposing the automatic adjustments set forth in this Ordinance that pass-through increases in wholesale cost of potable water charged by Calleguas, as calculated per hundred cubic feet of water (HCF). Said written notice shall be not less than thirty (30) days before the effective date of said adjustments; and,

WHEREAS, the District has complied with all applicable requirements set forth in Article XIII D of the California Constitution (enacted by Proposition 218, November 5, 1996 Statewide election); and

WHEREAS, on November 18, 2020, notice was published in the Ventura County Star, a newspaper of general circulation published and circulated in the District, providing a summary of this Ordinance and noticing a November 23, 2020 public hearing to consider adoption of this Ordinance; and

WHEREAS, all persons present at said hearing and interested in the matter were heard and given the opportunity to be heard on the enactment of the proposed fees and charges prescribed in this Ordinance; and

WHEREAS, after considering the financial information, hearing a staff presentation,

considering the testimony received at the public hearing and discussion of the issues, the Board of Directors concludes that the proposed fees and charges prescribed in this Ordinance are necessary for the District's provision of services and do not exceed the cost of those services; and

WHEREAS, the adoption of this Ordinance is statutorily exempt under the California Environmental Quality Act pursuant to the provisions of Public Resources Code Section 21080(b)(8) and California Code of regulations Section 15273(a).

NOW, THEREFORE, the Board hereby ordains as follows:

SECTION 1. SHORT TITLE

This Ordinance shall be known as the TWSD Potable Water Fee and Charge Ordinance.

SECTION 2. DEFINITIONS

The following words as used in this Ordinance shall have the meanings set forth below unless otherwise apparent in the context in which they are used:

- a. "Board of Directors" or "Board" means the TWSD Board of Directors.
- b. "Customer" means any person, association, corporation, governmental agency, firm, or company of record receiving water service from the District.
- c. "District" or "TWSD" means the Triunfo Water & Sanitation District.
- d. "Hundred Cubic Feet" or HCF" or "Unit of Water" means 100 cubic feet or 748 gallons of water.

SECTION 3. FEES AND CHARGES

The following fees and charges are hereby prescribed:

A. Monthly Service Charge

Meter Size	Current FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
3/4"	\$31.53	\$33.43	\$35.44	\$36.86	\$38.34
1"	\$49.76	\$52.75	\$55.92	\$58.16	\$60.49
1-1/2"	\$94.72	\$100.41	\$106.44	\$110.70	\$115.13
2"	\$148.02	\$156.91	\$166.33	\$172.99	\$179.91
3"	\$316.78	\$335.79	\$355.94	\$370.18	\$384.99
4"	\$565.49	\$599.42	\$635.39	\$660.81	\$687.25
6"	\$1,249.44	\$1,324.41	\$1,403.88	\$1,460.04	\$1,518.45

B. Quantity Rate for Potable Water

Tier	Monthly Use	Current Rate FY 2021	Proposed Rate 1/1/2021	Rate FY 2022	Rate FY 2023	Rate FY 2024	Rate FY 2025
1	0-7 HCF	\$6.84	\$6.92	\$7.34	\$7.78	\$8.09	\$8.42
2	>7-28 HCF	\$7.75	\$7.83	\$8.30	\$8.80	\$9.15	\$9.52
3	>28 HCF	\$9.48	\$9.56	\$10.13	\$10.74	\$11.17	\$11.62

Any of the quantity rates specified above are, in accordance with applicable law, subject to adjustment by the District should Calleguas adopt further increases or decreases in its potable water wholesale rate.

C. Automatic Fire Sprinkler Monthly Service Charge

Meter Size	Current FY 2021	FY 2022	FY 2023	FY 2024	FY2025
3/4"	\$31.53	\$33.43	\$35.44	\$36.86	\$38.34

Water used through an automatic fire sprinkler system for purposes other than for extinguishing fires or a related purpose, shall be charged the Tier 3 metered water rate for all water used through such service connection.

D. Service Connection Fee

Meter Size	Current FY 2021
3/4"	\$4,875
1"	\$8,125
1-1/2"	\$16,200
2"	\$25,900
3"	\$56,725
4"	\$102,100
6"	\$226,900

Commencing on July 1, 1990 and continuing thereafter on each July 1, the water connection fee set forth above shall be adjusted by an increment based on the March to March average percentage change in the Construction Cost Index for the Los Angeles area published in the McGraw-Hill construction weekly magazine titled "ENR," and rounded to the nearest twenty-five dollars (\$25). However, the Board may at its sole option determine, by resolution adopted prior thereto, that such adjustment shall not be effective for the next succeeding years, or may determine other amounts as appropriate based upon the capital expenditure needs of the District.

E. Processing, Planning and Inspection Fees

Item	Fee
Application Fee	1. Projects that require only administrative review: \$0 2. All other Projects: \$150

Project Completion Deposit	Projects that require a final audit or inspection: \$1000
Water Line Plan Check Fee	<ol style="list-style-type: none"> 1. Plan check fee: \$100/sheet 2. Plans resubmitted after change orders: \$100/sheet 3. Subdivision Final Map or Parcel Map Sewer Improvement Plan: \$100/sheet
Water Line Construction Inspection Fee	<ol style="list-style-type: none"> 1. Inspection Fee: \$125/hour (\$350 minimum) 2. Overtime Inspection Fee: \$200/hour

F. Miscellaneous Fees

Item	Fee
Account Set Up Fee	\$15.00
Construction Connection (Per Month)	\$8.50
New Customer Deposit –3/4" Meter	\$75.00
New Customer Deposit - 1" Meter	\$80.00
New Customer Deposit – 1 ½" Meter	\$100.00
New Customer Deposit - 2" Meter	\$150.00
New Customer Deposit over 2" Meter	\$200.00
Shut off Notice/Shut off/Turn on/etc. - Regular Business Hours	\$30.00 each
Shut off Notice/Shut off/Turn on/etc. - After Hours/Weekends	\$325.00 each
Fire Service (Per Inch of Meter Diameter)	\$6.75
Security Deposit – Metered Hydrant Service	\$1,200.00
Security Deposit – Reinstatement after shut off for customers with history of delinquent payment and will escalate based on the amount of the billing (returned after one year if no late fees are applied during the entire period)	\$150.00
Unauthorized Turn on	\$ 75.00
Unauthorized Fire Hydrant Use	\$ 250.00

In addition, the District shall collect charges for work performed or for damages incurred (i.e., damaged meter box, meter box replacement covers, damaged fire hydrants, etc.). The charges shall be based on the costs incurred including an amount for overhead as set by the District.

SECTION 4. FINDINGS

The TWSD Board of Directors finds the foregoing fees and charges are for the purpose of: (1) meeting operating expenses, including but not limited to the District's operations, maintenance and management contract; (2) purchasing or leasing supplies, equipment and materials; (3) meeting financial reserve needs and requirements; (4) obtaining funds for constructing and maintaining water facilities necessary to maintain service within existing service areas; (5) improvements and repairs; and (6) debt service and refunds.

The TWSD Board of Directors further finds that the foregoing fees and charges: (1) do not exceed the funds required to provide the service; (2) are not used for any purpose other than that for which they are imposed; (3) as imposed upon any parcel or person as an incident of property ownership, do not exceed the proportional cost of the service attributable to the parcel; and, (4) are imposed only for service that is actually used by, or immediately available to, the owner of the property in question.

SECTION 5. FEE REVIEW PERIOD

On or about January 1 of each year, the General Manager is hereby empowered and shall review the estimated cost of providing the services described and the impact of any pending or anticipated changes in the service level. The General Manager shall report these findings to the Board of Directors at a duly noticed public hearing and recommend any adjustment to the fees and charges or other action that may be required.

SECTION 6. SEVERABILITY

This Ordinance, except for those portions that are found to be invalid, would remain in full force and effect and continue to be valid. The Board of Directors hereby declares it would have passed this Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases or the application thereof to any person or circumstance be held invalid.

SECTION 7. REPEAL OF PRIOR INCONSISTENT ORDINANCES

Any prior ordinances or portions of ordinances previously adopted by the District Board of Directors that are in conflict with this Ordinance, are repealed as of the Effective Date of this Ordinance. This includes TWSD-350 (Adopted 5/18/2020).

SECTION 8. EFFECTIVE DATE

This Ordinance shall become effective January 1, 2021.

PASSED, APPROVED AND ADOPTED this 23rd day of November 2020 by the following vote:

AYES:

NOES:

ABSENT:

TRIUNFO WATER & SANITATION DISTRICT

James Wall, Chair

ATTESTED:

Juliet Rodriguez, Clerk of the Board

APPROVED AS TO FORM:

John Mathews, General Counsel



INFORMATION ON RATE CHANGES

On the January 2021 bill, there will be a “pass-through” water rate increase of \$0.08 per hundred cubic feet (HCF) for potable water sold for all Tiers purchased. The pass-through increase is solely a result of the 2021 wholesale rate increase for potable water that Triunfo Water & Sanitation District purchases from Calleguas Municipal Water District.

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