

RESOLUTION 2026-19

APPROVING UPDATED CAPACITY CHARGES AND AMENDING DISTRICT RATE AND FEE SCHEDULE, AND DETERMINING THE AMENDMENTS ARE EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

PURISSIMA HILLS WATER DISTRICT

WHEREAS, the Purissima Hills Water District's (District) Rate and Fee Schedule establishes the fees and charges for water and a variety of services provided by the District; and

WHEREAS, California Water Code Section 31007 authorizes the District to establish rates and charges to yield revenues sufficient to pay operating expenses, to provide for repair, maintenance, and depreciation of infrastructure owned and operated by the District, and to provide funds to pay principal and interest on bonded debt; and

WHEREAS, the District's capacity charges, currently referred to as storage and transmission fees, were last adjusted on December 6, 2007, via Resolution 2007-9; and

WHEREAS, the District's financial rate consultant, Water Resources Economics, prepared a Water Rate Study that comprehensively reviewed and analyzed the District's rates and charges, including the existing facilities charges; and

WHEREAS, the Water Rate Study recommends adjusting the capacity charges as indicated below, as well as every year by the local area CPI (Consumer Price Index) inflation factor; and

WHEREAS, having considered the entire record, including all financial analyses, revenue and expense projections, and capital programs, the Board finds that the updated capacity charges are necessary and appropriate to recover a proportionate share of costs for existing and future water system infrastructure, facilities, and assets from new or expanded connections to the District's water system, which enables the District to continue its operation and services at the same level and quality, and continue its critical capital improvements to replace aged infrastructure; and

WHEREAS, the Board finds that the capacity charges amendments to the District's Rate and Fee Schedule are reasonable and required for the proper operation of the District, and are exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to Section 21080(b)(8) of the Public Resources Code because they are for the purposes of:

1. Meeting operating expenses;
2. Purchasing or leasing supplies;
3. Meeting financial reserve requirements; and
4. Obtaining funds for capital projects necessary to maintain services within the existing service area;

and that the analysis in this resolution and the documents incorporated into this resolution justify that the modifications to the District's rates and charges are for the purposes set forth in Section 21080(b)(8); and

WHEREAS, the Water Rate Study prepared by the financial rate consultant, Water Resources Economics, including the update of the capacity charges is hereby incorporated into this resolution.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors for the Purissima Hills Water District amends the District Rate and Fee Schedule as follows:

- A. Capacity Charges. New service connection or expanded existing service system capacity fees.

Water Capacity Fees	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Service Connection Size					
3/4"	\$15,039	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>
1"	\$25,065	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>
1.5"	\$50,130	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>
2"	\$80,208	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>
3"	\$175,455	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>
4"	\$315,819	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>
6"	\$651,690	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>
8"	\$1,403,640	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>	<i>Adjust by CPI</i>

- B. District Rate and Fee Schedule. The Board directs the General Manager to update the District's Rate and Fee Schedule and post it on the District's website, consistent with the capacity charges established in this resolution.
- C. Effective Date. The foregoing amendments to the District's Rate and Fee Schedule are effective upon enactment of this resolution, and start of business on August 13, 2026.
- D. Notice of Exemption. The General Manager is authorized to file a Notice of Exemption with the Santa Clara County Clerk's Office.

REGULARLY PASSED AND ADOPTED on this 12th day of August 2026, by the following votes:

AYES: Directors Holtz, Jordan, Stone, Ranganathan, and Glassman.

NOES:

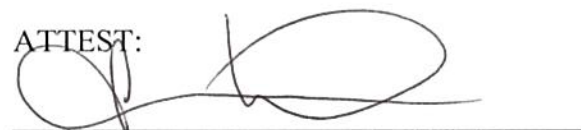
ABSTENTIONS:

ABSENCES:



Board President
Purissima Hills Water District

ATTEST:



District Secretary