

ORDINANCE NO. 2017-01

ORDINANCE DECREASING WATER SYSTEM
SERVICE CHARGES BY IMPLEMENTING POST
DROUGHT CONSUMPTION CHARGES AND
REDUCING A SUPPLEMENTAL WATER CHARGE
ESTABLISHED IN ORDINANCE 2015-01

WHEREAS, it is a major responsibility of the Oceano Community Services District ("District") to maintain adequate levels of revenue to meet the District's financial commitments for the operation and maintenance for water facilities and the replacement of existing facilities in the future which benefit the customer or property being charged; and

WHEREAS, on April 20, 2015, the District conducted a public hearing to consider a rate increase pursuant to Section 6 of Article XIII D of the California Constitution; and

WHEREAS, based on facts and analysis, the Board of Directors adopted Ordinance 2015-01, which established the District's new Schedule of Water System Charges; and

WHEREAS, the duly adopted Schedule of Water System Charges includes "Consumption Charges (Drought Emergency Rates)" and a "Supplemental Water Charge" and provides that within ninety (90) days after the Board of Directors determines that the current drought is over, the Board of Directors may conduct a public hearing for the purpose of considering an ordinance that would reduce the Consumption Charges to the Post Drought Consumption Charges and which would also reduce the Supplemental Water Charge over a period of time not to exceed three years; and

WHEREAS, the District intends to reduce the Consumption Charges over a period of time not to exceed three (3) years to those specified as Post Drought Consumption Charges and to also reduce the Supplemental Water Charges over the same period of time, which have been and will continue to be adjusted pursuant to Section 3 of Ordinance 2015-01; and

WHEREAS, Exhibit "A" represents a reduction in Consumption Charges that is initiating implementation of the Post Drought Consumption Charges, and a reduction in the Supplemental Water Charge, which will go into effect for the first billing period that begins thirty (30) days after the adoption of this Ordinance; and

WHEREAS, the District Board of Directors will continue to monitor District revenues and consumption at least annually to further consider reducing the Schedule of Water System Charges and to fully implement the Post Drought Consumption Charges and the reduction in the Supplemental Water Charge within three years, as provided in Ordinance 2015-01.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED, by the Board of Directors of the District as follows:

SECTION 1: In accordance with District Ordinance 2015-01, the attached Schedule of Post Drought Consumption Charges and a Supplemental Water Charge is hereby approved as specified in Exhibit "A" hereto, which Exhibit "A" reflects a reduction in Service Charges and is incorporated herein by this reference, for the purpose of providing water service.

SECTION 2: This ordinance shall take effect and be in full force and effect for the first billing cycle that begins thirty (30) days after its passage and before the expiration of fifteen (15) days after passage of this ordinance, it shall be published once with the names of the members of the Board of Directors voting for and against the ordinance in a newspaper of general circulation published in the County of San Luis Obispo, State of California.

SECTION 3: Repeal of Prior Ordinances and Resolutions. All Ordinances, Resolutions and sections of Ordinances and Resolutions that are inconsistent with this Resolution are hereby repealed. If not inconsistent, such Ordinance and Resolutions shall remain in full force and effect.

SECTION 4: Effect of Repeal of Part Actions and Obligations. This Resolution does not affect prosecutions for violations committed prior to the effective date of this Ordinance, does not waive any fee or penalty due and unpaid on the effective date of this Ordinance.

INTRODUCED at a regular meeting of the Board of Directors held on the 11 day of, July 2017, and PASSED, APPROVED and ADOPTED by the Board of Directors of the Oceano Community Services District, this 11, day of July 2017, by the following roll call vote, to wit:

AYES: Director Brunet, Director Angello, Vice President Austin,
President White

NOES: None

ABSENT: Director Coalwell

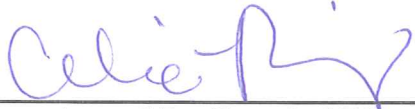
ABSTAINING: None

The foregoing ordinance is hereby adopted:



President of the Board of Directors

ATTEST:



Secretary of the Board of Directors

BY:



Board Secretary

[SEAL]

APPROVED AS TO FORM AND LEGAL EFFECT:

Jeffrey Minnery
District Legal Counsel

BY:



District Legal Counsel

Dated: September 27, 2017

EXHIBIT "A"
SCHEDULE OF POST DROUGHT CONSUMPTION CHARGES
AND A SUPPLEMENTAL WATER CHARGE

- 1) Post Drought Consumption Charges.
 - i. Base Tier: \$0.00 per 100 cubic feet of water, or fraction thereof, for the bi-monthly use of water up to 600 cubic feet; plus,
 - ii. Tier Two: \$3.31 per 100 cubic feet of water, or fraction thereof, for the bi-monthly use of water over 600 cubic feet, up to and including 1,200 cubic feet; plus,
 - iii. Tier Three: \$3.66 per 100 cubic feet of water, or fraction thereof, for the bi-monthly use of water over 1,200 cubic feet, up to and including 1,800 cubic feet; plus,
 - iv. Tier Four: \$4.09 per 100 cubic feet of water, or fraction thereof, for the bi-monthly use of water over 1,800 cubic feet, up to and including 2,400 cubic feet; plus,
 - v. Tier Five: \$4.30 per 100 cubic feet of water, or fraction thereof, for the bi-monthly use of water over 2,400 cubic feet.

All Consumption Charges shall be calculated by first adjusting the quantities of water in each tier by multiplying the quantities of water stated in this section by the number of residential or non-residential units, to arrive at the quantity of water that will be charged at the rate applicable to each tier. Said number of units shall be the same as utilized to calculate the Basic Bi-Monthly Charges above.

- 2) A "Supplemental Water Charge" of \$1.62 per 100 cubic feet of water, or fraction thereof, for the bi-monthly use of water.