

**RESOLUTION NO. 16R-09
RESOLUTION OF THE BOARD DIRECTORS OF THE
BIGHORN-DESERT VIEW WATER AGENCY
ADJUSTING THE BASIC SERVICE CHARGE AND
WATER CONSUMPTION CHARGES**

WHEREAS, the Bighorn-Desert View Water Agency ("Agency") is required by law to fix and establish rates, fees and charges which will enable the Agency to cover its debt service payments, operate and maintain its water system, provide for repairs and depreciation, and a reasonable surplus for improvements; and

WHEREAS, on November 23, 2004 the Board of Directors adopted Resolution No. 04R-10 which set the Water Consumption rate at \$3.00 per one-hundred cubic feet for providing water service; and

WHEREAS, on December 2, 2008 the Board of Directors adopted Resolution No. 08R-13 which increased the Basic Service Charge to \$55.00 per bi-monthly billing cycle on all service line to mainline connected accounts (Routes 01-16) to generate revenues sufficient to cover not only variable costs, but also some of the fixed costs of providing water service; and

WHEREAS, on February 24, 2009 the Board of Directors adopted Resolution No 09R-05 Setting Fee For Service For All Bulk Station Accounts (Routes 30-33) which lowered the consumption rate from \$9.62 to \$8.50 per one-hundred cubic feet and \$0 Basic Service Charge per month for providing water service and effectively replacing prior Resolution Nos. 06R-11 and 08R-14 related to the Johnson Valley bulk station; and

WHEREAS, on May 27, 2014 the Board of Directors adopted Resolution No. 14R-08 Establishing Certain Fees and Charges which included setting the consumption rate for temporary construction meters (Route 40) at \$8.50 per one-hundred cubic feet and the Basic Service Charge at \$27.50 per month for providing water service; and

WHEREAS, the Board has determined that it is in the best interest of the Agency, its customers and the public generally, for the Agency to continue to fix the Basic Service Charge and Consumption Charges to more adequately cover its fixed costs of operating and maintaining its water system, providing for repairs and depreciation, and providing a reasonable surplus for capital improvements, including matching funds for federal and state grant funding; and

WHEREAS, the Board has distributed the rate increase notice to all property owners and tenants with authorized water accounts in accordance with the procedures outlined in CA Proposition 218 at least 45-days prior to the Public Hearing on this matter scheduled for July 26, 2016; and

NOW, THEREFORE, BE IT RESOLVED with the October 2016 billing date the Basic Service Charge shall be increased by no more than 5% each year over a 4-year period as follows:

	Fiscal Year 2016/2017	Fiscal Year 2017/2018	Fiscal Year 2018/2019	Fiscal Year 2019/2020
Residential Customers ¾-in, 1-in Meters, 2-in Bulk Meters & All Construction Meters (excludes Dedicated 1-in residential fire mtr)	\$28.88	\$30.32	\$31.83	\$33.42

This rate will apply to each service connection per monthly billing period and shall be imposed on all Agency residential (mainline connected) ¾-inch and 1-inch meters and on all 2-inch bulk hauling meters and all temporary construction meters; and

BE IT FURTHER RESOLVED with the October 2016 billing date the Consumption Charge shall be increased by no more than 3% each year for a 4-year period as follows:

	Fiscal Year 2016/2017	Fiscal Year 2017/2018	Fiscal Year 2018/2019	Fiscal Year 2019/2020
Residential Customers ¾-in and 1-in Meters (Meter Routes 01 to 16)	\$3.09	\$3.18	\$3.28	\$3.38

This rate shall apply to every hundred cubic feet registered through the meter and shall be imposed on all Agency residential accounts with a service line connected to a mainline (Routes 01-16); and

BE IT FURTHER RESOLVED with the October 2016 billing date the 1-inch and 2-inch bulk hauling meters and temporary construction meters (Routes 30-40) Consumption Charge shall be increased by no more than 3% each year for a 4-year period as follows:

	Fiscal Year 2016/2017	Fiscal Year 2017/2018	Fiscal Year 2018/2019	Fiscal Year 2019/2020
Rate Increase: 1-in and 2-in Meters and Construction Meters (Meter Routes 30 to 40)	\$8.76	\$9.02	\$9.29	\$9.57

This rate shall apply to every hundred cubic feet registered through the meter and shall be imposed on all Agency 1-inch or 2-inch bulk hauling meter and all temporary construction meters (Routes 30-40); and

BE IT FURTHER RESOLVED Resolution 04R-10, 06R-11, 08R-13, 08R-14, 09R-05 are hereby rescinded and the **Basic Service Charge** on all Agency residential customers ¾-inch, 1-inch meters, 2-inch bulk meters and all temporary construction meters as well as the **Consumption Rates** for residential customers and all Agency 1-inch and 2-inch bulk hauling meters and temporary construction meters shall remain in effect until further action of the Agency's Board, provided, however, that the Board shall review said Basic Service Charge and Consumption Rates during the budget process each fiscal year and the amount of the Basic Service Charge and Consumption Rates shall be adjusted by no more than the amounts set forth in this Resolution; and

BE IT FURTHER RESOLVED that the General Manager and staff are hereby authorized and directed to take all actions reasonably necessary to carry out the purpose and intent of this Resolution and to implement these rates, fees and charges in accordance with the time period specified herein.

PASSED, APPROVED, AND ADOPTED by the Board of Directors to Bighorn-Desert View Water Agency this 26th day of July, 2016.

By J. Larry Coulombe
J. Larry Coulombe, President of the Board

ATTEST:
Judy Cori-Lorono
Judy Cori-Lorono, Secretary of the Board