

**RESOLUTION NO. 26R-01**  
**RESOLUTION OF THE BOARD DIRECTORS OF THE**  
**BIGHORN-DESERT VIEW WATER AGENCY**  
**ADJUSTING THE BASIC SERVICE CHARGE AND WATER CONSUMPTION**  
**CHARGES BY SPECIFIC CUSTOMER CLASS**

**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 April 13, 2021 the Board of Directors adopted Resolution No. 21R-08 Adjusting the Basic Service Charge and Water Consumption Charges across the existing customer classes, residential, bulk and fire service for a five-year period (5 years) ending January 1, 2025; and

**WHEREAS**, on the Board of Directors authorized a Professional Services Agreement with NBS Government Financial Group to conduct a focused rate and fee study for the Agency which included a long-range financial plan, development of monthly service charges and water consumption charges and calculation of a new capacity fee (e.g. Basic Facilities Charge or buy-in charge); and

**WHEREAS**, on September 2, 2025 the Finance/ Public Relations/ Education/ Personnel Standing Committee held Pubic Workshop No. 1 where NBS Government Finance Group presented the foundation of the rate and fee study and factors affecting the outcome and solicited public input; and

**WHEREAS**, factors affecting the Basic Service Charges and Water Consumption Charges include:

- Since the 2021 rate study, Residential and Commercial connections have increase slightly while Agricultural connections have decreased significantly; and
- Water consumption across all customer classes has decreased by 26% with 70% of that reduction attributed to the Agricultural Classification; and
- Recent case law (Patz v San Diego, Coziahr v Otay Water District) provide precedent related to tiered rate setting – residential and agricultural tiers have been removed; and
- Current reserve policies; and
- Overall inflation since 2021 Rate Study; and
- Limited growth projected during the next 5-year period.

**WHEREAS**, on September 4, 2025 the full Board of Directors participated in Public Workshop No. 2 were an initial rate table weighted 65%/35% for base rate versus volume was presented and solicited public input; and

**WHEREAS**, on September 9, 2025 the full Board of Directors participated in Public Workshop No. 3 where NBS Government Finance Group reviewed the elements four (4) proposed Rate Alternative tables and solicited public input; and

**WHEREAS**, on November 4, 2025 the Board of Directors participated in Workshop No. 4 where NBS Government Finance Group reviewed the elements of three (3) additional Rate Alternative Tables and solicited public input; and

**WHEREAS**, on November 4, 2025 the Board of Directors motioned to select a Rate Alternative Table designed to collect 60% of revenues from fixed charges and 40% of revenues from variable consumption charges with a “smoothing route” of 0% annual revenue increase projection in year one (1) and 4.4% thereafter per the Water Rate Study Draft report prepared subsequently by NBS Government Finance Group, and

**WHEREAS**, on December 9, 2025 after considering all director input and public comments, the Board of Directors adopted Motion No. 25-058 authorizing filing of Categorical Exemption for a Public Hearing on February 10, 2026 at 6:00 pm during which the Board of Directors would consider adopting Water Rates, Fees and Charges (aka the *Rate Alternative Table designed to collect 60% of revenues from fixed charges and 40% of revenues from variable consumption charges with a “smoothing route” of 0% annual revenue increase projection in year one (1) and 4.4% thereafter for year two (2) thorough year five (5)*) and the final Water Rate Study Report dated February 2026 along with the Proposition 218 Public Hearing Notice to be distributed in accordance with Article XIII C and D of the California Constitution was received and filed; 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 revenue raised by the Agency’s rates, fees, and charges will be used to modify or construct additional public facilities to provide adequate water services, and do not exceed the total cost of these facilities; and

**WHEREAS**, the establishment, modification, structuring, restructuring, and approval of the Agency’s rates, charges, and fees are for the purpose of meeting the Agency’s operating expenses (including employee wages and benefits), purchasing and/or leasing supplies, equipment, and materials, meeting the Agency’s financial reserve needs and requirements, and obtaining funds for capital projects necessary to maintain water service within the boundaries of the Agency, and is therefore exempt from the requirements of the California Environmental Quality Act (“CEQA”) as provided by Public Resources Code Section 21080(b)(8); and

**WHEREAS**, pursuant to CEQA, the Agency caused a Notice of Exemption on the adoption of water rates, fees, and charges to be posted with the County Clerk of the County of San Bernardino on December 30, 2025; and

**WHEREAS**, the amount of the rates and charges hereby adopted do not exceed the minimum amount necessary, less other sources of revenue including but not limited to taxes, other exempt charges, grants, and state or federal funds, to cover the actual costs for the corresponding services provided by the Agency, and therefore the charges imposed hereby to satisfy the fee requirements under Government Code Section 54999.7 and do not qualify as a “tax” under Article XIII C, Section 1(e), of the California Constitution or Section 50076 of the California Government Code, and the actions taken herein are exempt from the additional notice and public meeting requirements of the Ralph M. Brown Act pursuant to California Government Code Sections 54954.6(a)(1)(A) and (B); and

**WHEREAS**, the Agency has satisfied all of the substantive and procedural prerequisites of Articles XIII C and XIII D of the California Constitution in establishing the rates and charges set forth herein, including but not limited to, the identification of the parcels upon which the rates and charges will be imposed; the calculation of the rates and charges; the mailing of written notice to the record owners of each parcel upon which the rates and charges will be imposed describing the amount thereof, the basis upon which the rates and charges were calculated, the reason for the rates and charges, and the date, time, and location of the public hearing to be held thereon; and the conducting of a public hearing on the rates and charges not less than 45 days after mailing the notice during which all protests against the fee were considered; and

**WHEREAS**, prior to February 10, 2026 the Agency distributed the rate increase notice to a total of 3,395 property owners and their 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 conducted on February 10, 2026; and

**WHEREAS**, the Board finds and determines that (i) action set forth below is necessary for the Agency to continue to be able to provide safe and potable water to its residents and customers and (ii) that a majority written protest thereto pursuant to Article XIII D, Section 6(a)(1), of the California Constitution has not been presented.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Bighorn-Desert View Water Agency does hereby determine that the written protests against the rates and charges set forth herein that were received by the Agency prior to the close of the public hearing hereon represented less than a majority of the parcels subject to the rates and charges set forth below and, thus, the Board further finds that the public interest and necessity requires that on March, 2026 billing date the Basic Service Charge (i.e. Fixed Service Charge) and Consumption Charge (i.e. Commodity Charge) by specific customer class and by the current specific billing cycle (bi-monthly or monthly) and billing route and as otherwise classified and/or defined by current Agency Rules and Regulations for Water Service, shall be

increased by no more than specified in the Rate Alternatives indicated over a 5-year period as follows:

Water Rate Schedule	Current Rates	Proposed Rates					
		1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	
<b>Fixed Meter Charges</b>							
<b>Bi-Monthly Fixed Service Charges:</b>							
3/4 inch	\$72.27	\$77.76	\$81.18	\$84.75	\$88.48	\$92.37	
1 inch	\$72.27	\$77.76	\$81.18	\$84.75	\$88.48	\$92.37	
1.5 inch	\$130.27	\$149.80	\$150.13	\$156.74	\$163.64	\$170.84	
2 inch	\$199.88	\$223.05	\$232.86	\$243.11	\$253.81	\$264.98	
3 inch	\$385.51	\$434.38	\$453.49	\$473.44	\$494.27	\$516.02	
4 inch	\$594.32	\$672.13	\$701.70	\$732.57	\$764.80	\$798.45	
6 inch	\$1,174.38	\$1,332.54	\$1,391.17	\$1,452.38	\$1,516.28	\$1,583.00	
<b>Bi-Monthly Fire Service Charges:</b>							
3/4 inch	\$35.81	\$59.40	\$62.01	\$64.74	\$67.59	\$70.56	
1 inch	\$35.81	\$59.40	\$62.01	\$64.74	\$67.59	\$70.56	
2 inch	\$83.23	\$164.34	\$171.58	\$179.13	\$187.01	\$195.24	
3 inch	\$165.12	\$345.61	\$360.82	\$376.70	\$393.27	\$410.57	
4 inch	\$315.97	\$679.52	\$709.42	\$740.63	\$773.22	\$807.24	
6 inch	\$703.86	\$1,538.15	\$1,605.83	\$1,676.49	\$1,750.26	\$1,827.27	
8 inch	\$1,221.05	\$2,682.99	\$2,801.04	\$2,924.29	\$3,052.96	\$3,187.29	
<b>Commodity Charges</b>							
<b>Rate per hcf of Water Consumed:</b>							
<b>Residential Customers<sup>1</sup></b>							
Tier 1	0-25 hcf	\$3.55	\$4.41	\$4.61	\$4.81	\$5.02	\$5.24
Tier 2	26+ hcf	\$5.40	NA	NA	NA	NA	NA
<b>Commercial, Ag, Institutional, Construction, Fire &amp; Other</b>							
		\$4.18	\$4.41	\$4.61	\$4.81	\$5.02	\$5.24
<b>Bulk Meters<sup>2</sup></b>							
		\$9.16	\$12.19	\$12.73	\$13.29	\$13.87	\$14.48

1. Current rates are structured based on consumption tiers. Proposed rates are uniform based on total consumption.
2. Bulk Meters, including 1 inch and cash accounts have no fixed meter charge and are charged for usage based on commodity charges per hcf only. 2 inch and larger bulk meters are charged for the fixed meter charge and usage based on the commodity charge.

**BE IT FURTHER RESOLVED** Resolution 21R-08 is hereby rescinded and the **Basic Service Charge** on all Agency meter sizes (¾-inch, 1-inch, 2-inch, fire service, bulk and all temporary construction) as well as the **Consumption Rates** for all metered usage for meter sizes (¾-inch, 1-inch, 2-inch, fire service, bulk and all temporary construction 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 10th day of February, 2026, by the following vote:

AYES: 5  
NOES: 0  
ABSENT: 0  
ABSTAIN: 0

By Rodney Miller-Boyer  
Rodney Miller-Boyer, President of the Board

ATTEST,

By Megan Close-Dees  
Megan Close-Dees, Board Secretary



**Official Seal**