

## ORDINANCE NUMBER 2017-3

### AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE HEBER PUBLIC UTILITY DISTRICT MODIFYING CERTAIN WATER RATES EFFECTIVE JULY 1, 2017

**WHEREAS**, the Heber Public Utility District (District) has adopted rules and regulations, including a District Policy Manual and Utility Service Policy, for the connection to the use of the water service within the District; and

**WHEREAS**, Ordinance Number 2010-2 established rates, fees and charges by the District for the public facilities and services needed to provide water service to customers of the District; and

**WHEREAS**, the Board of Directors of the Heber Public Utility District have evaluated and finds it is necessary to adopt rate adjustments to the existing rates for water service for customers according to the California Public Utility Code section 16467; and

**WHEREAS**, Section 16467 of the California Public Utility Code states that the Board of Directors shall fix such charges for service as will pay all of the expenses of the government of the District, which include: (a) Salaries, office expenses, and other necessary disbursements; (b) The Operating expenses of the Utility. (c) The interest on any indebtedness incurred for the acquisition, construction, and completion of the utility. (d) Provisions for a sinking or other appropriate fund for the payment of the principal of such debt as it becomes due. (e) Provisions for an appropriate fund for repairs, replacements, and betterments.

**WHEREAS**, the State of California Water Board issued to the Heber Public Utility District a Citation for Non-Compliance Order Number 05-14-13C-001 on January 4, 2013 to come into compliance with Health & Safety Code section 116555(a)(3) and California Code of Regulations section 64533; and

**WHEREAS**, the State of California Water Board previously issued to the Heber Public Utility District the following Citations for Non-Compliance:

- March 29, 2012 – Citation Number 05-04-12C-005 for failure to meet the Total Trihalomethane Maximum Contaminant Level for first quarter 2012.
- February 13, 2007 – Citation Number 05-14-07C-009 for failure to meet the Total Trihalomethane Maximum Contaminant Level for fourth quarter of 2006.
- November 8, 2006 – Citation Number 05-14-06C-018 for failure to meet the Total Trihalomethane Maximum Contaminant Level for second and third quarters of 2006.

**WHEREAS**, the Heber Public Utility District executed a Finance Agreement with the State Water Resources Control Board Drinking Water State Revolving Fund (DWSRF) for capital improvement projects at the Water Treatment Plant that will ensure compliance with the Health and Safety Codes and California Code of Regulations including the Total Trihalomethane Maximum Contaminant Level; and

**WHEREAS**, the Heber Public Utility District Water Fund debt amount increased \$162,221 annually with the first payment due on July 1, 2018 as a result of the execution of the Finance Agreement with DWSRF; and

**WHEREAS**, the Heber Public Utility District hired independent financial advisors, Bartle Wells Associates, to conduct a "Water and Sewer Rate Study", which was completed January 2017; and

**WHEREAS**, the basis for the Board of Directors' findings is contained in the following documents, which can be accessed at [www.heber.ca.gov](http://www.heber.ca.gov), and incorporated herein by reference:

- Water and Sewer Rate Study – January 2017
- Capital Improvement Plan – Adopted Via Resolution 2016-09
- DWSRF Installment Sale Agreement Water Treatment Plant Improvement Project – April 29, 2015; Amended December 2015; Amended February 2017.
- 2016-17 Fiscal Year Budget – Adopted Via Resolution 2016-07
- Reserve Requirements – Adopted Via Resolution 2016-08

**WHEREAS**, the Heber Public Utility District Board of Directors conducted a noticed public hearing on the proposed rate adjustments to its water service fees on March 16, 2017. After considering public comment and other information presented at the March 16, 2017 hearing, the Board of Directors determines that:

- 1) The Heber Public Utility District has not received a majority written protest against the proposed water adjustments pursuant to California Government Code section 53753, 53753.5 and 53753(a).
- 2) The water related rate adjustments implemented by this Ordinance have been fixed as to yield an amount sufficient to:
  - (a) Salaries, office expenses, and other necessary disbursements;
  - (b) The Operating expenses of the Utility.
  - (c) The interest on any indebtedness incurred for the acquisition, construction, and completion of the utility.
  - (d) Provisions for a sinking or other appropriate fund for the payment of the principal of such debt as it becomes due.
  - (e) Provisions for an appropriate fund for repairs, replacements, and betterments.

**HEBER PUBLIC UTILITY DISTRICT WATER RATE SCHEDULE**

ADOPTED BY ORDINANCE 2017-3 WATER RATES ON APRIL 20, 2017

MODIFIED 2017-18 WATER RATES MODIFIED VIA BUDGET RESOLUTION 2017-7

Effective July 1, 2017

WATER	Allotment	Modified Adopted FY 2017-2018	Adopted FY 2018-2019	Adopted FY 2019-2020	Adopted FY 2020-2021	Adopted FY 2021-2022
	(Gallons)	(\$/month)	(\$/month)	(\$/month)	(\$/month)	(\$/month)
<b>Fixed Meter Charge</b>						
<b>Single Family Residential:</b>						
1" Meter or less	15,000	\$55.54	\$57.84	\$59.54	\$61.30	\$64.01
<b>Multi-Residential:</b>						
1" Meter or less Water	15,000	\$62.39	\$64.38	\$66.32	\$68.23	\$70.94
2" Meter Water	40,000	\$194.71	\$200.57	\$206.59	\$212.53	\$221.31
3" Meter Water	60,000	\$408.95	\$421.24	\$433.88	\$446.28	\$465.81
<b>Commercial/Industrial/Public:</b>						
1" Meter or less Water	15,000	\$62.39	\$64.38	\$66.32	\$68.23	\$70.94
2" Meter Water	40,000	\$194.71	\$200.57	\$206.59	\$212.53	\$221.31
3" Meter Water Water	60,000	\$408.95	\$421.24	\$433.88	\$446.28	\$465.81
4" Meter Water	75,000	\$715.73	\$737.22	\$759.32	\$780.95	\$816.49
<b>Service Outside District</b>						
1" Meter or less Water	15,000	\$ 70.07	\$ 72.26	\$ 74.37	\$ 76.58	\$ 80.09
2" Meter Water	30,000	\$ 163.42	\$ 168.52	\$ 173.46	\$ 178.61	\$ 186.80
<b>Volumetric Charge (\$/1000 gallons)</b>		(\$/Kgals)	(\$/Kgals)	(\$/Kgals)	(\$/Kgals)	(\$/Kgals)
Residential Inside District		\$3.49	\$3.79	\$3.90	\$4.03	\$4.03
Public Agency		\$3.49	\$3.79	\$3.90	\$4.03	\$4.03
Commercial		\$3.49	\$3.79	\$3.90	\$4.03	\$4.03
Industrial		\$3.49	\$3.79	\$3.90	\$4.03	\$4.03
Multi-residential		\$3.49	\$3.79	\$3.90	\$4.03	\$4.03
Outside District		\$4.16	\$4.49	\$4.63	\$4.78	\$4.78

**Private Fire Lines for Commercial and Temporary Hydrant Meter**

WATER	FY2017-2018	FY2018-2019	FY2019-2020	FY2020-2021	FY2021-2022
Private Fire Line (\$/meter)	(\$/meter)	(\$/meter)	(\$/meter)	(\$/meter)	(\$/meter)
1" Meter or less	\$10.41	\$10.78	\$11.17	\$11.41	\$11.41
2" Meter	\$33.31	\$34.50	\$35.73	\$36.52	\$36.52
3" Meter	\$72.87	\$75.48	\$78.17	\$79.90	\$79.90
4" Meter	\$131.17	\$135.86	\$140.70	\$143.82	\$143.82
6" Meter / Hydrant	\$208.21	\$215.65	\$223.33	\$228.28	\$28.28
6" Meter / Hydrant /Year	\$2,498.48	\$2,587.81	\$2,679.96	\$2,739.36	\$2,739.36
Temporary Hydrant Meter / Month	\$135.04	\$138.90	\$142.86	\$147.11	\$147.11

**HEBER PUBLIC UTILITY DISTRICT WATER RATE SCHEDULE**

**ADOPTED BY ORDINANCE 2017-3 WATER RATES ON APRIL 20, 2017**

**MODIFIED 2017-18 WATER RATES MODIFIED VIA BUDGET RESOLUTION 2017-7**

**Effective July 1, 2017**

<b>WATER</b>	<b>Allotment</b>	<b>Modified Adopted FY 2017-2018</b>	<b>Adopted FY 2018- 2019</b>	<b>Adopted FY 2019- 2020</b>	<b>Adopted FY 2020-2021</b>	<b>Adopted FY 2021-2022</b>
Hydrant Meter Volumetric Charge (\$/1,000 gallons)		\$3.49	\$3.75	\$3.87	\$3.99	\$3.99

3) The revenues derived from the water rates and charges do not exceed the funds required to provide water related services, and are not used for any other purpose than the provision of water service.

4) The amount of the base rate for water service imposed on each water service customer does not exceed the proportional cost of the water service actually delivered or made available to every identified parcel of real property and/or customer within the Heber Public Utility District's service boundary and for customer's receiving services outside of the established service area under separate Agreement with the City of El Centro.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE HEBER PUBLIC UTILITY DISTRICT HEREBY DETERMINES AND ORDAINS AS FOLLOWS:**

Section 1. Recitals. The above recitals are true and correct and incorporated herein.

Section 2. Repeal. Any provision of any Ordinance, Resolution, fee, charge and/or other policy of the Heber Public Utility District in conflict with this Ordinance 2017-3 is hereby superseded by the provisions herein. If any existing fees, charges and/or regulations in effect on the date of adoption of this Ordinance are not in conflict herewith, said existing fees, charges and/or regulations shall remain in effect.

Section 3. Rate Schedule. The Rates for water service, as set forth in Exhibit 1, attached hereto and incorporated herein by this reference, are hereby adopted and established effective July 1, 2017.

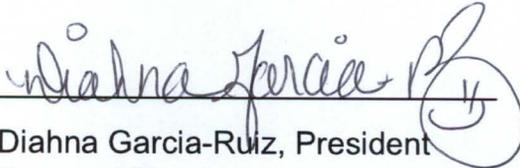
**APPROVED AND ADOPTED** by the Board of Directors of the Heber Public Utility District on this 20<sup>th</sup> day of April, 2017.

AYES: M. Nolasco, Jr., T. Sandoval, D. Garcia-Ruiz

NOES: S. Escobedo, P. Tabarez, Jr.

ABSTAIN:

ABSENT:

  
Diahna Garcia-Ruiz, President  
Board of Directors

Attest:   
Raquel Carrillo, Board Secretary