

ORDINANCE No. 2005-2

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MUIR BEACH COMMUNITY SERVICES DISTRICT ESTABLISHING A SCHEDULE OF RATE CHARGES FOR WATER SERVICE

The Board of Directors of the Muir Beach Community Services District does ordain as follows:

Section 1 Repeal of Existing Ordinance

Ordinance 2003-02-26-01 establishing the existing schedule of rate charges for water service is repealed with regard to charges for water service after the effective date of this ordinance.

Section 2 Purpose

The purpose of this ordinance is to adopt a revised schedule of rate charges for water service provided to customers of the Muir Beach Community Services District ("District") such that the expenses of the District continue to be properly and fairly distributed among its customers.

Section 3 Findings of Necessity

The Board of Directors finds as follows:

1. Water is a finite and precious resource.
2. California Constitution, Article X Section 2 provides, "It is hereby declared that because of conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use of or unreasonable method of use of water be prevented, and that the conservation of such water is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare."
3. The State Water Resources Control Board authorizes the District's use of water under Permit 21085 ("Water Rights Permit") subject to the limitation, among other things, that the District utilize a system of tiered water rates.
4. Conservation efforts by the District's water users have resulted in reductions in total daily water usage by the District of more than 15% from the time that water rates were last established. This has resulted in fewer gallons of water over which the District can spread its costs of operation, thereby creating a need for the District to revise its rates charged for water service in order to properly and fairly distribute its costs of operation among its customers.

Section 4 Incorporation of 25% Capital Surcharge into Rates

Existing rates are subject to a 25% surcharge reserved for capital improvements in accordance with District Ordinance 2001-07-25-1. The Board of Directors finds that water billing statements will be clarified and simplified through the incorporation of the 25% surcharge into a single schedule of water rates as provided in Section 5 of this ordinance.

Section 5 Adoption of Schedule of Rate Charges for Water Service

All water consumers using District water shall be subject to monthly charges for water as follows:

Tiers	Gallons	Charge	
<i>Tier One</i>	0 to 2,250	\$ 23.00	Flat charge
<i>Tier Two</i>	2,251 to 5,000	\$ 0.85	per 100 gallons used, plus charge from prior tier
<i>Tier Three</i>	5,001 to 15,000	\$ 1.19	per 100 gallons used, plus charge from prior tier
<i>Tier Four</i>	15,001+	\$ 1.49	per 100 gallons used, plus charge from prior tier

Note

1. Rates **include** a 25% surcharge reserved for capital improvements to the community's water system.
2. Charges are calculated per gallon; rates are shown per 100 gallons for clarity only.

Section 6 Effective Date

This ordinance shall be effective upon adoption by the Board of Directors.

Section 7 Severability

If any section, subsection, sentence, clause, phrase, portion or part of this ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such section shall not affect the validity of the remaining portions of this ordinance. The Board of Directors hereby declares that it would have passed this ordinance, any section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, clauses, or phrases may be declared invalid or unconstitutional.

PASSED AND ADOPTED this _____ day of _____, 2005 by the following vote of the Board of Directors.

Ayes:

Noes:

Absent:

Steven Shaffer, Board President

Attest:

Sharon Mullin, District Secretary