

## ORDINANCE No. 2010-2

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

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

#### **Section 1**      **Repeal of Existing Ordinance**

Ordinance 2005-2 establishing the existing schedule of rate charges for water service is repealed with regard to charges for water service after the effective date of this ordinance.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: (1) 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; and (2) adopt an annual charge to fund capital improvements of the District's water supply equipment and facilities.

#### **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 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.
5. Revenue generated from the capital improvements charges, as set forth in Section 4 of this Ordinance, do not exceed the cost of providing such improvements to the District's water supply equipment and facilities.

#### **Section 4**      **Capital Improvement Charges**

A. 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.

B. In addition to the surcharge set forth above in Section 4.A., all land parcels, developed or undeveloped, wholly or partially within the District for which the County Assessor of Marin County has assigned an assessor's identification number, provided, however, that any such parcels which are contiguous and held under identical ownership, may, upon approval of an application of

the owners thereof to the Board of Directors, be treated as a single parcel for purposes of this charge, or those land parcels entirely outside the District and served with District water, shall be subject to an annual charge to fund capital improvements to the District's water supply equipment and facilities in the following amounts: (1) \$3,250.00 dollars per year on each improved commercially zoned parcel; (2) \$300.00 dollars per year per separate habitable structure (as determined by units listed on the Marin County Assessment roll) on each residentially zoned parcel; and (3) \$300.00 per year per parcel on all other parcels.

**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:

<b>Tiers</b>	<b>Gallons</b>	<b>Charge</b>
<b><i>Tier One</i></b>	0 to 2,250	\$ 24.96 Flat charge
<b><i>Tier Two</i></b>	2,251 to 5,000	\$ 0.92 per 100 gallons used, plus charge from prior tier
<b><i>Tier Three</i></b>	5,001 to 15,000	\$ 1.29 per 100 gallons used, plus charge from prior tier
<b><i>Tier Four</i></b>	15,001+	\$ 1.62 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 \_\_\_\_\_, 2010 by the following vote of the Board of Directors.

Ayes:

Noes:

Absent:

\_\_\_\_\_  
Board President

Attest:

\_\_\_\_\_  
District Secretary