

ORDINANCE NO. 2004- 08

AN ORDINANCE OF SAN DIEGO COUNTY WATER AMENDING ORDINANCE NO. 97-1 TO INCREASE THE CAPACITY CHARGE TO \$2,461 FOR A METER SIZE OF LESS THAN ONE-INCH, MAKE CORRESPONDING ADJUSTMENTS TO THE CAPACITY CHARGE FOR LARGER METERS AND PROVIDE FOR AUTOMATIC ANNUAL ADJUSTMENTS

WHEREAS, pursuant to Section 5.9 of the County Water Authority Act, the San Diego County Water Authority ("Water Authority") may fix and impose Capacity Charges upon the ultimate users of water delivered by the Water Authority to its member agencies and to require its member agencies to collect the charges on behalf of the Water Authority; and

WHEREAS, the Water Authority revised the Capacity Charge imposed on ultimate users of water by adoption of Ordinance No. 97-1, dated May 15, 1997; and

WHEREAS, the Long Range Financing Plan adopted by the Board of Directors contemplates the establishment of sufficient rates and charges, when considered along with taxes and other revenues of the Water Authority, to provide revenues for accomplishment of the Water Authority's purposes and programs as determined by the Board of Directors; and

WHEREAS, the Water Authority has prepared, considered, and approved an analysis and study regarding proposed revised Capacity Charges, based upon an undated calculation based upon the methodology used in the analysis entitled "San Diego County Water Authority Revised Capacity Charge Methodology," ("Capacity Charge Study") dated May 17, 1999; and

WHEREAS, the Water Authority, by adoption of Ordinance No. 99-2, dated July 22, 1999, amended Sections 2 and 10 of Ordinance 97-1 to adjust the Capacity Charge in accordance with the methodology of the Capacity Charge Study; and

WHEREAS, the Water Authority has updated the data used in the calculation of the charge pursuant to the Capacity Charge Study. The Capacity Charge Study, with current data, justifies a Capacity Charge of \$2,461 for new meters of a size less than one inch and a Capacity Charge for new meters of a size one inch or larger based upon the amount of \$2,461 multiplied by a factor that is based upon additional meter capacity; and

WHEREAS, on October 28, 2004, the Board adopted Resolution No. 2004-37 setting the time and place for a public hearing by the Fiscal Policy Committee regarding the Capacity Charge Study and the proposed Capacity Charge increase; and

WHEREAS, pursuant to Resolution No. 2004-37 a duly noticed public hearing was held by the Fiscal Policy Committee which, in consideration of the Capacity Charge Study, the Water

Authority's capital and operations budgets for Fiscal Year 2004-2005, the Water Authority's rate and revenue structures and projections, the Long Range Financing Plan, and the testimony presented during the public hearing thereafter recommended increasing the Capacity Charge for meters with a size less than one inch to \$2,461, and a corresponding increase for larger meters; and

WHEREAS, the Board has considered the recommendation of the Fiscal Policy Committee and is fully informed: and

WHEREAS, it is in the interests of the Water Authority, its member agencies, its water users and taxpayers, that the Water Authority take final action to adopt revised Capacity Charges on new water users as recommended by the Capacity Charge Study in order to provide funds to pay a portion of the costs of new capital facilities needed to serve such users; and

WHEREAS, it is in the interests of the Water Authority, its member agencies, its water users and taxpayers that the Water Authority automatically increase the Capacity Charge in the same percentage as the annual increase in the Engineering News-Record Construction Cost Index; and

WHEREAS, the proposed Capacity Charges are nondiscriminatory and will not exceed the estimated reasonable amount required to provide the services for which the charges are to be levied; and

WHEREAS, at least fifteen (15) days prior to the meeting at which the Capacity Charges were levied, the Water Authority made available to the public data indicating the amount of cost, or estimated cost, required to provide the services for which the charges are to be levied and the revenue sources anticipated to provide such services, including general fund revenues; and

WHEREAS, the Water Authority has determined that imposition of the revised Capacity Charge recommended by the Capacity Charge Study is exempt from CEQA under Section 15378(b)(5) of the State CEQA Guidelines regarding the creation of government funding mechanisms that do not involve any commitment to any specific project that may have potentially significant physical impacts on the environment. Any project funded by this charge either has or will have appropriate CEQA documentation completed prior to any activities that could result in physical impacts on the environment.

NOW, THEREFORE, the Board of Directors of the San Diego County Water Authority does ordain as follows:

Section 1. Findings.

The foregoing recitals are true and correct and constitute legislative findings of this Board.

Section 2. Amendment of Ordinance No. 97-1

- (a) Section 2.1 of Ordinance No. 97-1 is amended to read as follows:

Section 2.1. Schedule of Charges.

Except as hereinafter provided, there is hereby fixed and imposed a Capacity Charge on each person, corporation, partnership, public agency, or other entity (hereinafter referred to as "a water user") obtaining a water meter from a member agency for the use of water received by the member agency from the Water Authority. The amount of the Capacity Charge for a meter shall be determined according to the following table:

<u>Meter Size (Inches)</u>	<u>Factor</u>	<u>Capacity Charge</u>
Under 1"	1.0	\$ 2,461
1"	1.6	\$ 3,938
1.5"	3.0	\$ 7,383
2"	5.2	\$ 12,797
3"	9.6	\$ 23,626
4"	16.4	\$ 40,360
6"	30.0	\$ 73,830
8"	52.0	\$127,972
10"	78.0	\$191,958
12"	132.0	\$324,852

The member agency shall determine the size of the water meter necessary or appropriate to provide the service for which the meter is requested.

The Director of Finance shall adjust the schedule of charges established by this section as of January 1, 2006, on as of each January 1 thereafter, based on the annual percentage change in the Engineering News-Record Construction Cost Index for Los Angeles (ENR-CCI LA) for the calendar year immediately preceding the adjustment.

(b) Section 10 of the Ordinance No. 97-1 is amended as follows:

Section 10. Deposit and Use of Funds.

All funds received by the Water Authority from Capacity Charges from or after January 1, 2005 shall be deposited in a Pay-As-You-Go Fund and shall be expended for the purposes described in the "San Diego County Water Authority Revised Capacity Charge Methodology and Analysis," dated May 17, 1999. All interest income earned by monies in the capital facilities account or fund shall also be deposited in that account or fund and shall be expended only for the same purposes.

Section 3. Continuation of Ordinance No. 97-1.

Ordinances Nos. 97-1, 99-2, 2000-1, 2000-3, 2001-03, and 2002-05 shall remain in full force and effect except to the extent amended by, or inconsistent with, the provisions of this ordinance.

Section 6. Codification.

The General Counsel shall incorporate the provisions of Ordinance No. 97-1 and this ordinance into the Water Authority's Administrative Code according to the Recodification Plan approved by the Administrative and Legal Committee.


PASSED, APPROVED AND ADOPTED, this 18th day of November, 2004

AYES: Unless noted below all Directors voted aye.

NOES:

ABSTAIN:

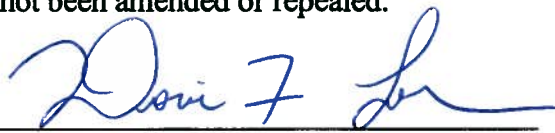
ABSENT: Bowersox, Broomell, Croucher, Jaeschke, Quist<sup>(P)</sup>, Steiner, Watton, Williams and Rep. Slater-Price

  
Bernie Rhinerson, Chair

ATTEST:

  
George I. Loveland, Secretary

I, Doria F. Lore, Clerk of the Board of Directors of the San Diego County Water Authority, do hereby certify that the above and foregoing is a full, true and correct copy of said Ordinance 2004- 08 of said Board and that the same has not been amended or repealed.

  
Doria F. Lore, Clerk of the Board