



Monterey County Board of Supervisors

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Salinas, CA 93901
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Board Order

Upon motion of Supervisor Salinas, seconded by Supervisor Phillips and carried by those members present, the Board of Supervisors hereby:

Acting on behalf of County Service Area 75 - Chualar:

- a. Conducted a Public Hearing to hear objections to, or protests against, the proposed wastewater service fee increase by property owners within the service area pursuant to Proposition 218 requirements. Said fee increase reflects a Three (3)-Year Phase in and forgiveness of four (4) loans totaling \$1,166,483 as public benefit;
- b. Directed Clerk of the Board to tabulate and certify assessment ballots received before the conclusion of the public hearing;
- c. Determined if a majority protest exists, or, if no majority protest exists; and
- e. No majority protest existed, adopted Resolution 17-407 to approve the proposed wastewater rate increase.

PASSED AND ADOPTED this 5th day of December 2017, by the following vote, to wit:

AYES: Supervisors Alejo, Phillips, Salinas, Parker and Adams

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting December 5, 2017

Dated: December 6, 2017
File ID: RES 17-187

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Resolution No. 17-407

Acting on behalf of County Service Area 75 – Chualar Adopt a Resolution to:

- a. Conduct a Public Hearing to accept protests)
against the proposed wastewater service fee increase)
by CSA 75 – Chualar Consolidated property owners)
pursuant to Proposition 218 requirements;)
- b. Direct Clerk of the Board to tabulate and)
certify assessment ballots received before the)
conclusion of the public hearing;)
- c. Determine if a majority protest exists or,)
if no majority protest exists;)
- d. If a majority protest exists, no assessment)
may be imposed; and)
- e. If no majority protest exists, approve the proposed)
- f. wastewater rate increase.....)

WHEREAS, County Service Area 75 (CSA 75) – Chualar Consolidated manages and provides wastewater services to the properties located in CSA 75 pursuant to Ordinance No. 03920, and as such wastewater charges are adjusted from time to time; and

WHEREAS, wastewater service rates have remained unchanged for over 14 years, resulting in an inability of CSA 75 to generate sufficient revenues to fund operational and infrastructure costs; and

WHEREAS, four (4) General Fund loans totaling \$1,166,483 were necessary between June 2012 and September 2014 to fund operational and infrastructure costs; and

WHEREAS, two (2) community outreach events were held in December 2014 and November 2015 to inform CSA 75 property owners of the proposed rate increase and necessary rate structure to support funding of maintenance, operations and capital reserves; and

WHEREAS, the CSA 75 Draft Wastewater Rate Study was completed by the Wallace Group in November 2015 (Rate Study). The Rate Study identified four (4) rate alternatives needed to sustain wastewater operations, accomplish capital improvements, and establish reasonable reserves over the next five (5) years:

- 1A – No Loan Payback, No Phase-In
- 1B – No Loan Payback, Three (3)-Year Phase-In
- 2A – Loan Payback, No Phase-In
- 2B – Loan Payback, Three (3)-Year Phase-In; and

WHEREAS, on March 7, 2017, the Board of Supervisors received the Draft Rate Study with a staff recommendation to approve Rate Alternative 2A – Loan Payback, No Phase-In and authorize staff to proceed with the Proposition 218 Majority Protest Process. The Board directed

staff to prepare a Resolution approving Alternative 1B – No Loan Payback with a Three (3)-Year Phase-In forgiveness of the four (4) loans totaling \$1,166,483, along with a finding that forgiveness of said loans would constitute a public benefit and not a gift of public funds; and

WHEREAS, on March 21, 2017, the Board of Supervisors approved rate option Alternative 1B – No Loan Payback with a Three (3)-Year Phase-In and forgave the four (4) loans totaling \$1,166,483 based on the finding that forgiveness of said loans did constitute a public benefit and was not a gift of public funds; and

WHEREAS, the Wallace Group Rate Study was updated and finalized in August 2017 to confirm that the proposed rates were still applicable and to incorporate Board action; and

WHEREAS, said Rate Study establishing an applicable rate structure for the next five (5) years was finalized in August 2017; and

WHEREAS, on October 17, 2017, the Board of Supervisors set a public hearing for December 5, 2017, at 1:30 p.m. to hear protests against the proposed increase to wastewater rates by property owners pursuant to Proposition 218 requirements; and

WHEREAS, RMA staff was directed to mail a Notice of Public Hearing to property owners in CSA 75 and publish the Notice of Public Hearing in the Monterey County Weekly not less than 45 (forty-five) days prior to the date of this public hearing; and

WHEREAS, the Notice of Public Hearing with proposed wastewater rates with a Spanish translation was mailed to property owners on October 18, 2017 and published in the Monterey County Weekly on October 19, 2017; and

WHEREAS, Notice of Public Hearing with proposed wastewater rates was posted on the County of Monterey – Resource Management Agency (RMA) webpage; and

WHEREAS, copies of the Rate Study and Notice of Public Hearing with proposed wastewater rates were made available at the RMA offices and the Gonzales Library; and

WHEREAS, a Revised Notice of Public Hearing to correct the beginning dates of each annual proposed increase through 2022, with proposed wastewater rates with Spanish translation was mailed to property owners on November 2, 2017; and

WHEREAS, such a Public Hearing was held on December 5, 2017, and the Board of Supervisors, acting on behalf of CSA 75 received and considered all protests related to the proposed increase in the wastewater charges;

DECISION

NOW, THEREFORE BE IT RESOVLED, that the Monterey County Board of Supervisors, acting on behalf of County Service Area 75 – Chualar Consolidated, does hereby find and determine as follows:

Section 1. The foregoing recitals are true and correct and incorporated herein by this reference.

Section 2. The Board of Supervisors has fully considered this matter and has:

- a. Reviewed the submittal, notice and the information submitted herewith regarding the proposed increase and the reasons and basis for the increase in the fees;
- b. Provided notice of the proposed fee increase to the record owners of all parcels to which the proposed fee increase would apply in accordance with Article XIID of the California Constitution;
- c. Heard and received all objections, protests, or other written communications from any owners of real property subject to the fee;
- d. Taken and received oral and documentary evidence pertaining to the proposed fee increase; and
- e. Been fully informed of this matter.

Section 3. The Board of Supervisors determines that written protests have not been received from property owners representing a majority of the parcels subject to the proposed fee increase.

Section 4. The Board of Supervisors, acting on behalf of County Service Area 75 – Chualar Consolidated, determines to bill the wastewater charges defined in rate Alternative 1B – No Loan Payback, Three (3)-Year Phase-In; beginning in the billing cycle of January 2018;

Section 5. That based on these facts and circumstances presented and the information received during the public hearing, the Board of Supervisors, acting on behalf of County Service Area 75 – Chualar Consolidated, finds that increases in wastewater rates are necessary and hereby adopted.

Section 6. Adjustments to Monthly Wastewater Rates are increased as set forth below:

Monthly Wastewater Rates							
	Use Type	Current	Proposed Monthly Wastewater Rates				
			Jan 1, 2018	Jan 1, 2019	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022
1.	Single Family Residence	13.92	23.70	39.57	66.03	67.35	68.70
2.	Multi Family Residence (per unit)	11.90	20.26	33.82	56.45	57.58	58.73
3.	Mobile Home Residences						
	a. Single-wide trailer, per trailer (connected)	11.90	20.26	33.82	56.45	57.58	58.73
	b. Double-width trailer, per trailer (connected)	13.92	39.57	66.03	67.35	66.03	67.35
	c. Travel trailer, per trailer (connected)	6.96	11.62	19.40	32.37	33.02	33.68
	d. Mobile home park office & meeting room	22.27	37.10	61.92	103.35	105.41	107.52
4.	Hotels and motels, per overnight guest room	3.48	5.81	9.70	16.19	16.51	16.84
5.	Day schools, per preceding year's ADA						
	a. Elementary grades K-9, incl preschool & nursery	0.55	0.92	1.53	2.56	2.61	2.66
	b. Secondary grades 7-12	0.55	0.92	1.53	2.56	2.61	2.66
	1. Add for cafeteria	0.27	0.45	0.75	1.26	1.28	1.31
	2. Add for athletic shower facilities	0.55	0.92	1.53	2.56	2.61	2.66
6.	Fire Stations						
	a. Day staff, per person	1.11	1.85	3.09	5.16	5.27	5.37
	b. Overnight staff, per person	3.34	5.58	9.31	15.53	15.84	16.16
7.	Café or restaurant, per seat	4.45	7.43	12.40	20.70	21.11	21.53
8.	Bar or tavern, per seat	0.55	0.92	1.53	2.56	2.61	2.66
9.	Service Stations						
	a. Single pump	11.63	19.42	32.41	54.09	55.17	56.27
	b. Duplex pump	16.70	27.88	46.54	77.67	79.22	80.80
10.	Laundromat, per washer	16.70	27.88	46.54	77.67	79.22	80.80
11.	Car wash, self-service, per wash station	11.13	18.60	31.04	51.80	52.83	53.89
12.	Churches, per seat	0.27	0.45	0.75	1.26	1.28	1.31
13.	Food markets, per 1,000 sq. ft.	5.56	9.28	15.49	25.86	26.37	26.90
14.	Barber shops, per station	1.11	1.85	3.09	5.16	5.27	5.37
15.	Beauty shops	2.78	4.64	7.75	12.93	13.19	13.45
16.	Meeting halls, per 100 sq. ft.	2.78	4.64	7.75	12.93	13.19	13.45
17.	Medical and dental offices, and labs, per employee	2.78	4.64	7.75	12.93	13.19	13.45
18.	General offices, shops and stores, per employee	1.11	1.85	3.09	5.16	5.27	5.37
19.	Industrial, domestic waste only, flat	13.92	23.24	38.79	64.74	66.03	67.35
20.	Bakery, per oven	11.13	18.58	31.02	51.76	52.80	53.85

Quarterly Wastewater Rates							
	Use Type	Current	Proposed Monthly Wastewater Rates				
			Jan-1, 2018	Jan 1, 2019	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022
21.	Industrial discharge per million gallons	1,412.70	2,358.56	3,936.68	6,570.27	6,701.19	6,835.15

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Board of Supervisors in and for the County of Monterey, acting on behalf of County Service Area (CSA) 75 – Chualar Consolidated, as follows that said Board:

- a. Conducted a Public Hearing to accept protests against the proposed wastewater service fee increase by CSA 75 – Chualar Consolidated property owners pursuant to Proposition 218 requirements;
- b. Directed the Clerk of the Board to tabulate and certify assessment ballots received before the conclusion of the public hearing;
- c. Determined that () a majority protest exists () no majority protest exists;
- e. If a majority protest exists, said Board found that no assessment may be imposed; and
- f. If no majority protest exists, said Board approved the proposed wastewater rate increase as set forth above and incorporated herein by this reference.

PASSED AND ADOPTED upon motion of Supervisor Salinas, seconded by Supervisor Phillips and carried this 5th day of December 2017, by the following vote, to wit:

AYES: Supervisors Alejo, Phillips, Salinas, Parker and Adams
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting on December 5, 2017

Dated: December 6, 2017
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Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

