



TRIUNFO SANITATION DISTRICT

A PUBLIC AGENCY

February 10, 2011

Board of Directors
Triunfo Sanitation District
Ventura County, California

PUBLIC HEARING ORDINANCE NO. TSD-70 - RECLAIMED WATER RATES (continued)

The Triunfo Sanitation District ("TSD") Board adopted Ordinance No. TSD-63 ("TSD-63") on July 6, 2009. TSD-63 prescribed monthly fees and charges for reclaimed water customers in the Oak Park and Lake Sherwood service area. The rates prescribed in TSD-63 were based upon the wholesale supply rate of \$615 per acre-foot from the Calleguas Municipal Water District ("CMWD").

On January 1, 2011, TSD will be absorbing two wholesale reclaimed water cost increases from the CMWD totaling to \$0.39 per 100 cubic feet ("HCF"). On January 1, 2010, the wholesale supply rate was increased from \$615 to \$750 per acre-foot (a \$.31 per HCF increase) and effective January 1, 2011, the CMWD wholesale supply rate will increase from \$750 per acre-foot to \$785 per acre-foot (a \$.08 per HCF increase).

Staff recommends adoption of a new rate ordinance that will increase the current rate for reclaimed water by \$0.39 per HCF in order to "pass through" the CMWD wholesale reclaimed water supply rate increase. The recommended "pass through" is solely the result of CMWD rates of which TSD has no control.

Table I summarizes the proposed "pass-through" increase by listing the current rate for reclaimed water, the amount that rate will increase as a result of the wholesale rate increase (i.e. \$0.39 per HCF), and the proposed rate resulting from the increase.

**Table I
"Pass-Through" Increase in Reclaimed Water Rates**

	Current Rate (\$/HCF)	Wholesale Rate "Pass-through" Increase (\$/HCF)	Proposed Rate (\$/HCF)
All Water Used	2.21	0.39	2.60

Item 6-1

TSD-63 was adopted in compliance with Proposition 218 notice and protest procedures. In accordance with those procedures (and the provisions set forth in Government Code Section 53756), the District reserved the right to automatically "pass through" increases in wholesale water costs by providing affected parcel owners with mailed notice of those increases not less than 30 days from the effective date of the increase. The aforementioned mailed notice satisfies the requirements of Proposition 218 with respect to TSD's adoption of the recommended rate increase.

The cumulative impact of the CMWD wholesale water rate increases (January 1, 2010 and January 1, 2011) will result in additional expense to the District of approximately \$59,500 for the second half of Fiscal Year 2011 (FY11). Staff's projection is based on the increase to the wholesale purchase price of water (\$170) applied to the anticipated purchase of 350 acre-feet of water between January 1, 2011 and June 30, 2011.

The proposed rate of \$2.60 per HCF for reclaimed water is within the prescribed limits of Ordinance No. TSD-30, Article 2, Section 3.201 that states:

"It is the policy of the Board to set the rate for reclaimed water at no greater than 90% of the potable water rate."

The proposed \$2.60 per HCF reclaimed water rate is 88% of Triunfo's Tier I potable water rate (\$2.95 per HCF). Proposed Ordinance TSD-70 will be effective with the first full billing cycle thirty days following adoption of the ordinance. If adopted on January 24, 2011 the attached "Notice of Adjustment in Reclaimed Water Rates" will be mailed to reclaimed water customers to comply with Proposition 218 notification requirements.

On December 20, 2010, the Board conducted the first reading of Ordinance No. TSD-70 and directed staff to schedule a public hearing to receive input on the proposed pass-through fee. A summary of the proposed ordinance and notice of public hearing was published in the Ventura County Star on January 14, 2011.

Discussion by the Board of Directors on this item at the January 24, 2011 meeting resulted in direction to continue this item to the February 14, 2011 Triunfo Sanitation District Board meeting. Attached for your information is a copy of the Lake Sherwood Community Services District domestic monthly water rates.

RECOMMENDATION

It is recommended the Board:

- a. Continue a public hearing regarding proposed Ordinance No. TSD-70 reclaimed water rate pass-through:

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- 1) Call to order and open the public hearing.
 - 2) Receive staff report and recommendations.
 - 3) Report of written communications.
 - 4) Public comment.
 - 5) Close public hearing.
 - 6) Discussion by Board of Directors
- b. Conduct the second reading, by title only, of Ordinance No. TSD-70, Prescribing Fees and Charges for Reclaimed Water supplied by the Triunfo Sanitation District, and adopt Ordinance No. TSD-70 effective March 16, 2011.


DOUG ANDERS – PRINCIPAL ANALYST

Enc.

APPROVED FOR FEBRUARY 14, 2011 AGENDA


Mark Lawler, District Manager

county of ventura

PUBLIC WORKS AGENCY
JEFF PRATT
 Agency Director

Representing:

Camarillo Airport
 County Service Area No. 29 (North Coast)
 County Service Area No. 30 (Nyeland Acres)
 County Service Area No. 34 (El Rio)
 Juvenile Justice Center
 Lake Sherwood Community Services District
 Todd Road Jail

Water & Sanitation Department

R. Reddy Pakala
 Director

Anne Dana
 Administration

Satya Karra
 Operations

Cefe Munoz
 Engineering

LAKE SHERWOOD COMMUNITY SERVICES DISTRICT
Domestic Monthly Water Rates

1/11/2011

Meter Size	Service Charge	Tier I Rate	Tier II Rate	Tier III Rate
		\$2.445 per hcf	\$3.668 per hcf	\$6.113 per hcf

Low Demand (November to April) Usage Blocks

3/4-inch	\$12.50	0-18	19-32	33+
1-inch	\$25.00	0-36	37-63	64+
1 1/2-inch	\$50.00	0-72	73-126	127+
2-inch	\$87.50	0-126	127-221	222+
3-inch	\$187.50	0-270	271-473	474+
4-inch	\$375.00	0-540	541-945	946+
6-inch	\$750.00	0-1080	1081-1890	1891+

Peak Demand (May to October) Usage Blocks

3/4-inch	\$12.50	0-34	35-60	61+
1-inch	\$25.00	0-68	69-119	120+
1 1/2-inch	\$50.00	0-136	137-238	239+
2-inch	\$87.50	0-238	239-417	418+
3-inch	\$187.50	0-510	511-893	894+
4-inch	\$375.00	0-1020	1021-1785	1786+
6-inch	\$750.00	0-2040	2041-3570	3571+

hcf = hundred cubic feet

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TRIUNFO SANITATION DISTRICT

A PUBLIC AGENCY

NOTICE OF CONTINUATION OF PUBLIC HEARING

TRIUNFO SANITATION DISTRICT PUBLIC HEARING AND ORDINANCE SUMMARY

NOTICE IS HEREBY GIVEN that the Triunfo Sanitation District Board of Directors continued the January 24, 2011 Public Hearing to Monday, February 14, 2011, at 5:15 p.m., or as soon thereafter as may be heard, in the Film and Lecture Room, Oak Park Library, 899 N. Kanan Road, Oak Park, California, to consider adoption of proposed Ordinance No. TSD-70 entitled "Ordinance No. TSD-70, Prescribing Fees and Charges for Recycled Water Supplied by the Triunfo Sanitation District." Below is a summary of Ordinance No. TSD-70.

SUMMARY OF ORDINANCE NO. TSD-70 PRESCRIBING FEES AND CHARGES FOR RECYCLED WATER SUPPLIED BY THE TRIUNFO SANITATION DISTRICT

Ordinance No. TSD-70 passes through a \$.39 per Hundred Cubic Feet (HCF) increase in the wholesale rate that Triunfo Sanitation District must pay for reclaimed water. The pass-through increase is solely a result of wholesale rate increases for the reclaimed water that Triunfo Sanitation District purchases from Calleguas Municipal Water District.

If adopted, the Ordinance will be effective March 16, 2011.

A complete copy of the proposed ordinance is available for examination during regular business hours in the District office of the Clerk of the Board, 1001 Partridge Drive, Suite 100, Ventura, CA, and on the web site www.triunfosanitationdistrict.com.

Comments regarding the item may be made in person at the public hearing; in writing addressed to Triunfo Sanitation District, 1001 Partridge Drive, Suite 150, Ventura, CA, 93003-0704, Attn: Josie Guzman; by email to josieguzman@vrzd.com; or by fax to Josie Guzman at 805-658-4633.

Josie Guzman, Clerk of the Board
Posted: January 25, 2011

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Certificate of Publication

Ad #262852

In Matter of Publication of:

Public Notice

State of California)

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County of Ventura)

I, **Maria Rodriguez**, hereby certify that the **Ventura County Star Newspaper** has been adjudged a newspaper of general circulation by the Superior Court of California, County of Ventura within the provisions of the Government Code of the State of California, printed and published in the City of Camarillo, County of Ventura, State of California; that I am a clerk of the printer of said paper; that the annexed clipping is a true printed copy and publishing in said newspaper on the following dates to wit:

Jan. 14, 2011

I, Maria Rodriguez certify under penalty of perjury, that the foregoing is true and correct.

Dated this Jan. 14, 2011, in Camarillo, California, County of Ventura.


Maria Rodriguez
(Signature)

TRIUNFO SANITATION DISTRICT NOTICE OF PUBLIC HEARING AND ORDINANCE SUMMARY

NOTICE IS HEREBY GIVEN that the Triunfo Sanitation District will hold a Public Hearing prior to consideration of adopting Ordinance No. TSD-70 entitled "Ordinance No. TSD-70, Prescribing Fees and Charges for Recycled Water Supplied by the Triunfo Sanitation District." A summary of Ordinance No. TSD-70 is published below. A complete copy of the proposed ordinance is available for examination during regular business hours in the District office of the Clerk of the Board, 1001 Partridge Drive, Suite 100, Ventura, CA, and on the web site www.triunfosanitationdistrict.com.

The public hearing and action on the proposed ordinance has been set for Monday, January 24, 2011, at 5:15 p.m. in the Film and Lecture Room, Oak Park Library, 899 N. Kanan Road, Oak Park, CA. All persons interested in, or objecting to, adoption of said ordinance may then appear and be heard. Comments regarding the item may be made in person at the public hearing, in writing addressed to Triunfo Sanitation District, 1001 Partridge Drive, Suite 100, Ventura, CA, 93003-0704, Attn: Josie Guzman; by email to josieguzman@vrsd.com; or by Fax to Josie Guzman at 805-658-4633.

SUMMARY OF ORDINANCE NO. TSD-70 PRESCRIBING FEES AND CHARGES FOR RECYCLED WATER SUPPLIED BY THE TRIUNFO SANITATION DISTRICT

Ordinance No. TSD-70 passes through a \$.39 per Hundred Cubic Feet (HCF) increase in the wholesale rate that Triunfo Sanitation District must pay for reclaimed water. The increase is effective with the March 2011 billing. The pass-through increase is solely a result of wholesale rate increases for the reclaimed water that Triunfo Sanitation District purchases from Calleguas Municipal Water District.

Ordinance No. TSD-70 is effective March 1, 2011.

To be published January 14, 2011, in the Ventura County Star. AD NO 262852

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TRIUNFO SANITATION DISTRICT

ORDINANCE NO. TSD-70 PRESCRIBING FEES AND CHARGES FOR RECYCLED WATER SUPPLIED BY THE TRIUNFO SANITATION DISTRICT

WHEREAS, the Triunfo Sanitation District ("District") is duly organized and established under the laws of the State of California, and as such is empowered to impose fees and charges relative to the District's provision of services to its service area; and

WHEREAS, the District provides retail reclaimed water services to its customers within the Oak Park Water Service area and charges these customers appropriate service fees designed to cover operating and maintenance expenses associated with the provision of the services; and

WHEREAS, the District has estimated the costs of providing retail reclaimed water service based on financial information for the current year and the entire operating history of the enterprise; and

WHEREAS, this Ordinance prescribes fees and charges pertaining to the provision of retail reclaimed water service to the District's customers within the Oak Park Water Service area; and

WHEREAS, effective January 1, 2010, the Calleguas Municipal Water District ("CMWD") increased its wholesale supply rate for reclaimed water from \$615.00 per acre-foot to \$750.00 per acre-foot, a \$135.00 per acre-foot increase equivalent to \$.31 per one hundred cubic feet (HCF).

WHEREAS, effective January 1, 2011, the CMWD wholesale supply rate for reclaimed water will increase from \$750.00 per acre-foot to \$785.00 per acre-foot, a \$35.00 per acre-foot increase equivalent to \$.08 per one hundred cubic feet (HCF).

WHEREAS, in accordance with Government Code section 53756, the District has reserved the right to "pass-through" on the District's water rates any increases in the wholesale water cost to the District, as calculated per HCF; and

WHEREAS, the District now desires to "pass-through" CMWD's \$.31 per HCF and \$.08 per HCF increases in its wholesale supply rate for reclaimed water totaling \$.39 per HCF; and

WHEREAS, in accordance with Government Code section 53756, the District will provide written notice to all affected property owners in the District prior to the District passing through to those property owners CMWD's increase in its wholesale supply rate for reclaimed water totaling \$.39 per HCF; and

WHEREAS, the District has complied with all applicable requirements set forth in Article XIII D of the California Constitution (enacted by Proposition 218, November 6, 1996 Statewide election); and

WHEREAS, on January 14, 2011, notice was published in the Ventura County Star, a newspaper of general circulation published and circulated in the District, providing a summary of this Ordinance and noticing a January 24, 2011 public hearing to consider adoption of this Ordinance; and

WHEREAS, on January 24, 2011, the Board continued the public hearing to February 14, 2011; and

WHEREAS, after considering the financial information, hearing a staff presentation, considering the testimony received at the public hearing and discussion of the issues, the Board of Directors concludes that the proposed fees and charges prescribed in this Ordinance are necessary for the District's provision of services and do not exceed the cost of those services; and

WHEREAS, the adoption of this Ordinance is statutorily exempt under the California Environmental Quality Act pursuant to the provisions of Public Resources Code Section 21080(b)(8) and California Code of Regulations section 15273(a).

NOW, THEREFORE, THE BOARD OF THE TRIUNFO SANITATION DISTRICT DOES ORDAIN AS FOLLOWS:

Section 1. Short Title. This Ordinance shall be known as the TSD Recycled Water Fee and Charge Ordinance, and may be cited as such.

Section 2. Purpose. The purpose of this Ordinance is to establish fees and charges for retail recycled water services provided by TSD as identified below.

Section 3. Definitions. The following words as used in this Ordinance shall have the meanings set forth below unless otherwise apparent in the context in which they are used:

- a. "Board of Directors" or "Board" means the TSD Board of Directors.
- b. "Customer" means any person, firm, association, partnership, corporation, or governmental agency supplied or entitled to be supplied with water by the District for compensation.
- c. "District" or "TSD" means the Triunfo Sanitation District.
- d. "Hundred Cubic Feet" or HCF" or "Unit of Water" means 100 cubic feet or 748 gallons of water.

Section 4. Fees and Charges.

(1) Monthly Service Charge for recycled water:

5/8-inch meter	\$ 13.16
3/4-inch meter	\$ 19.74
1-inch meter	\$ 32.91
1 1/2-inch meter	\$ 65.81
2-inch meter	\$ 105.30
3-inch meter	\$ 197.43
4-inch meter	\$ 329.06
6-inch meter	\$ 658.07

(2) The Quantity Rate for recycled water:

Number of HCF <u>Furnished</u>	Rate per <u>HCF</u>
All Water Used	\$ 2.60

Section 5. Findings. The TSD Board of Directors finds the foregoing fees and charges are for the purpose of (1) meeting operating expenses, including but not limited to the District's operations, maintenance and management contract; (2) purchasing or leasing supplies, equipment and materials; (3) meeting financial reserve needs and requirements; (4) obtaining funds for constructing and maintaining water facilities necessary to maintain service within existing service areas; (5) improvements and repairs; and (6) debt service and refunds.

The TSD Board of Directors further finds that the foregoing fees and charges (1) do not exceed the funds required to provide the service; (2) are not used for any purpose other than that for which they are imposed; (3) as imposed upon any parcel or person as an incident of property ownership, do not exceed the proportional cost of the service attributable to the parcel; and, (4) are imposed only for service that is actually used by, or immediately available to, the owner of the property in question.

Section 6. Fee Review Period. On or about January 1 of each year, the District Manager is hereby empowered and shall review the estimated cost of providing the services described and the impact of any pending or anticipated changes in the service level. The District Manager shall report these findings to the Board of Directors at a duly noticed public hearing and recommend any adjustment to this fee or other action that may be required.

Section 7. Effective Date. The Board hereby finds and determines that the public necessity is best served by the timely adoption of this Ordinance. The Ordinance shall take effect on March 16, 2011.

Section 8. Repeal. Ordinance No. TSD-63 is hereby repealed as of the effective date specified in Section 7 above.

PASSED AND ADOPTED this 14th day of February 2011 by the following vote:

AYES:

NOES:

ABSENT:

TRIUNFO SANITATION DISTRICT

MICHAEL PAULE, CHAIR
Board of Directors

ATTEST:

JOSIE GUZMAN
Clerk of the Board