

RESOLUTION NO. 2014-33

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT
MODIFYING ITS TEMPORARY METER RENTAL AND USER CHARGE**

WHEREAS, the Phelan Piñon Hills Community Services District (“District”) is a Community Services District located within the County of San Bernardino and is organized and operates pursuant to the California Government Code Section 61000, *et seq.*; and

WHEREAS, pursuant to Resolution No. 2994 of the Local Agency Formation Commission of the County of San Bernardino (“LAFCO”) adopted on March 18, 2008, the District is the successor agency to County Service Area 9, County Service Area 56 Improvement Zone F-1, and County Service Area 70 Improvement Zones L and P-4 (“the CSAs”); and

WHEREAS, prior to the adoption of LAFCO Resolution No. 2994, the territory within the CSAs was subject to water rates that had been established by the County of San Bernardino pursuant to ordinances and resolutions that had been adopted by its Board of Supervisors; and

WHEREAS, by minute action taken at its first meeting on March 19, 2008, the District’s Board of Directors approved the continuation and extension of all previously authorized fees and charges that had been fixed, levied, and imposed as a condition of water service within the CSAs; and

WHEREAS, pursuant to Condition No. 6 of LAFCO Resolution No. 2994 and Section 61100(a) of the California Government Code, the District is authorized to supply water for any beneficial uses in the same manner as a municipal water district formed pursuant to California Water Code Section 71000; and

WHEREAS, under California Water Code Sections 71613-71617, a municipal water district is authorized to fix rates and charges for the water it delivers; and

WHEREAS, under California Water Code Section 61115(a), the District is authorized to establish rates or other charges for services and facilities that the District supplies and to provide for the collection and enforcement of those rates or charges; and

WHEREAS, the District has conducted an evaluation of its temporary meter rental and user charge and has determined that an adjustment is necessary to capture the true cost of providing such services; and

WHEREAS, the revenue raised by the District’s rates and charges will be used to modify or construct additional public facilities and to procure additional sources of supply to provide adequate water services, and do not exceed the total cost of such facilities and services; and

WHEREAS, this action is necessary to meet the District’s operating expenses, to purchase and/or lease supplies, equipment, and materials, to meet the District’s financial reserve needs and requirements, and to obtain funds for capital projects necessary to maintain water service within the boundaries of the District, and is therefore exempt from the requirements of the California Environmental Quality Act as provided by Public Resources Code Section 21080(b)(8); and

WHEREAS, the amount of the rates and charges hereby adopted do not exceed the reasonable anticipated costs for the corresponding services provided by the District, and therefore the fees imposed hereby to not qualify as a "tax" under Article XIII C, Section 1(e) of the California Constitution or Section 50076 of the California Government Code, and the actions taken herein are exempt from the additional notice and public meeting requirements of the Brown Act pursuant to Government Code Section 54954.6(a)(1)(A) and (B); and

WHEREAS, the proposed adjustment to the District's temporary meter rental and user charge is not subject to the substantive and procedural prerequisites of Articles XIII C and XIII D of the California.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Phelan Pinon Hills Community Services District does hereby resolve and determine that Section 17 of Attachment K-8 of the District's schedule of water/sewer fees and charges be modified as follows:

Temporary Meter Rental and User Charge-

The Meter Fee is equivalent to one and a half times the bi-monthly meter charge for a meter at a given-size, which is based on the rate design established in the Water Rate Study adopted February 20, 2013. The Meter Fee is based on size and includes some of the fixed costs incurred by the District for metering support, customer service, and maintaining customer accounts. Temporary meters require additional administrative support and additional maintenance, as such are billed at one and one-half times the bi-monthly meter charge.

The Water Use Fee for temporary users includes the Commodity Charge highest tiered rate, due to the additional demand on the system, plus components for fees that are paid by permanent water users through means other than the commodity charge. These components include an equivalent consumptive rate for: Connection fee, which is paid by permanent customers at the time their meter is set and covers the cost of system facilities and capacity; Property tax revenue used for Water Operations, which is the District's share of the 1% General Tax Levy, paid by property owners within the District; and Replacement water obligation, which occurs when the District expects to pump more water than is allocated.

BE IT FURTHER RESOLVED that the District's General Manager is hereby authorized to take any and all actions necessary to carry out the intent of the District's Board of Directors as is stated herein and as otherwise required in order to comply with applicable law.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption and shall supersede any and all prior resolutions, ordinances, and minute actions applicable to the District only to the extent expressly inconsistent with the terms hereof.

ADOPTED by the Board of Directors of the Phelan Piñon Hills Community Services District at a regular meeting held on December 3, 2014, by the following vote:

AYES: Brandon, Morrissette, Pace, Roberts, Whalen

NOES:

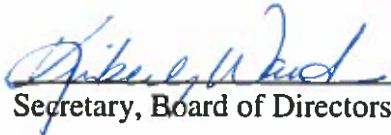
ABSENT:

ABSTAIN:



President, Board of Directors

Attest:



Secretary, Board of Directors