



MARIPOSA COUNTY

Public Works • 209 966 5356



RESOLUTION - ACTION REQUESTED 2018-58

MEETING: February 6, 2018
TO: The Board of Supervisors
FROM: Mike Healy, Public Works Director
RE: Adopt a Resolution Increasing Yosemite West Wastewater Rates

RECOMMENDATION AND JUSTIFICATION:

PUBLIC HEARING to receive public testimony and consider all protests concerning adoption of a resolution increasing Yosemite West wastewater rates.

Current wastewater rates in Yosemite West do not generate sufficient revenue to fund the cost of service. Updated rates are required in order to continue providing wastewater service to the Yosemite West community.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

Yosemite West faces operations and maintenance deficits and aging infrastructure, and current wastewater rates do not generate sufficient revenue to fund the cost of service. The Board's last action to increase wastewater rates occurred in 2004. Thus, even though it is standard practice for public utilities to update wastewater rates every five years, it has been over thirteen years since these rates have been adjusted.

Current wastewater rates include a base rate per account and nine tiered volumetric rates. Subsequent to the adoption of these rates, California courts have held that tiered rates are subject to strict cost justification under Proposition 218. Thus, communities throughout the state are adopting uniform rates, as recommended here by Bartle Wells Associates, in order to ensure compliance with Proposition 218.

On December 5, 2017, the Board adopted a Resolution of Intention (Resolution 2017-815) to increase Yosemite West wastewater rates and setting the time, date and location of public hearing.

Note that this resolution to increase Yosemite West wastewater rates cannot be adopted in the event of a majority protest.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

The Board may decline to establish wastewater rate increases. In that event, this

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utility will continue to operate at a deficit and may eventually be unable to generate sufficient revenue to comply with California wastewater regulations. It is unclear what the consequences of such a failure might be, but presumably an outside agency would take over this service territory.

ATTACHMENTS:

Mariposa County Engineers Report_No Roads (PDF)

ROI Yose West WW Final (PDF)

Resolution Increasing Yosemite West Wastewater Rates (DOC)

Exhibit A PROPOSED YOSEMITE WEST WASTEWATER RATES (DOCX)

RESULT: ADOPTED [UNANIMOUS]

MOVER: Merlin Jones, District II Supervisor

SECONDER: Kevin Cann, District IV Supervisor

AYES: Smallcombe, Jones, Long, Cann, Menetrey

RESOLUTION NO. 58

**RESOLUTION INCREASING YOSEMITE WEST
WASTEWATER RATES**

WHEREAS, the County of Mariposa provides wastewater service to the unincorporated area of Yosemite West; and

WHEREAS, pursuant to Resolution No. 2017-815 adopted on December 5, 2017, the Board intends to establish the Yosemite West Zone of Benefit for Countywide Service Area No. 1, formed under County Service Area Law (Gov. Code §§ 25210 et seq.); and

WHEREAS, upon formation, the Yosemite West Zone of Benefit will provide wastewater service to Yosemite West; and

WHEREAS, the Board's last action to increase wastewater rates for Yosemite West occurred in 2004; and

WHEREAS, Yosemite West faces operations and maintenance deficits and aging infrastructure; and

WHEREAS, current Yosemite West wastewater rates do not generate sufficient revenue to fund the cost of service; and

WHEREAS, the County retained Bartle Wells Associates to examine the cost of providing wastewater service to Yosemite West and to prepare a Yosemite West Cost of Service Analysis, which was approved and adopted by the Board pursuant to Resolution No.2017-815 on December 5, 2017; and,

WHEREAS, the Yosemite West Cost of Service Analysis recommends increasing Yosemite West wastewater rates; and

WHEREAS, Resolution No. 2017-815 declared the Board's intention to increase Yosemite West wastewater rates, set a public hearing for February 6, 2018 on those proposed rate increases, and directed staff to mail notice to affected property owners in conformity with Proposition 218; and

WHEREAS, on February 6, 2018, the Board held a full and fair public hearing on the proposed rate increases. At the hearing, all interested persons had an opportunity to provide oral and written testimony; and

WHEREAS, the Board accepted and caused the tabulation of all written protests against

the proposed wastewater rate increases. Based upon the results of this tabulation, a majority protest against the wastewater rate increases does not exist; and

WHEREAS, the Board now finds it necessary to adopt the proposed wastewater rate increases for Yosemite West.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF MARIPOSA AS FOLLOWS:

SECTION 1 The foregoing recitals are true and correct.

SECTION 2 The Board hereby adopts the wastewater rates for Yosemite West set forth in Exhibit A.

SECTION 3 All rates and charges set forth in this Resolution shall become effective on March 1, 2018 and shall remain in effect until changed by the Board.

PASSED AND ADOPTED this 6th day of February, 2018 by the following vote;

AYES: SMALLCOMBE, JONES, LONG, CANN, MENETREY

NOES: NONE

ABSENT: NONE



Rosemarie Smallcombe
Chair of the Board

ATTEST:

APPROVED AS TO FORM:



Rene LaRoche, Clerk of the Board
Steven W. Dahlem, County Counsel

Exhibit A.

PROPOSED YOSEMITE WEST WASTEWATER RATES

Proposed Rate Changes

The County is proposing to eliminate the current nine tier structure for charging wastewater customers and charge a uniform rate for all usage. The proposed change is designed to comply with the legal requirements of Proposition 218.

Current and proposed wastewater service charges:

Wastewater Rates (Monthly)		Current	1-Mar-18	1-Jul-19	1-Jul-20	1-Jul-21	1-Jul-22
Base Rate per Account		\$20.75	\$41.50	\$80.93	\$84.16	\$84.16	\$84.16
<u>Tier</u>	<u>Use Amount</u>	<u>\$/kgal</u>	<u>\$/kgal</u>	<u>\$/kgal</u>	<u>\$/kgal</u>	<u>\$/kgal</u>	<u>\$/kgal</u>
Tier 1	1 - 8 kgal	\$2.45	-	-	-	-	-
Tier 2	8 - 12 kgal	\$2.70	-	-	-	-	-
Tier 3	12 - 16 kgal	\$3.00	-	-	-	-	-
Tier 4	16 - 20 kgal	\$3.35	-	-	-	-	-
Tier 5	20 - 28 kgal	\$4.60	-	-	-	-	-
Tier 6	28 - 36 kgal	\$6.20	-	-	-	-	-
Tier 7	36 - 44 kgal	\$8.45	-	-	-	-	-
Tier 8	44 - 52 kgal	\$11.00	-	-	-	-	-
Tier 9	>52 kgal	\$12.30	-	-	-	-	-
New Rate - All Use Per 1,000 gallons			\$6.77	\$13.20	\$13.73	\$13.73	\$13.73
