

**RESOLUTION 2020-03**  
**RESOLUTION OF THE BOARD OF DIRECTORS OF THE HIDDEN VALLEY**  
**LAKE COMMUNITY SERVICES DISTRICT, COUNTY OF LAKE, STATE OF**  
**CALIFORNIA, ADOPTING WATER AND SEWER CONNECTION FEES**  
**PURSUANT TO ORDINANCE 57.1**

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**WHEREAS**, pursuant to Ordinance 57.1, water, sewer, and recycled water rates are to be established from time-to-time to ensure that revenues cover expenses; and

**WHEREAS**, AB 3030 went into effect as of January 1, 2009, adding Section 53756 to the Government Code. Pursuant to Government Code Section 53756, the District may adopt a schedule of fees or charges that authorizes automatic adjustments that pass-through increases in wholesale charges for water or sewer adjustments for inflation for a period not to exceed five (5) years; and

**WHEREAS**, in order to cover actual costs incurred by the District in providing water, sewer and recycled water services to its customers, including funds for capital improvements and an appropriate level of operational reserves, will not produce revenues in excess of the costs of such service; and

**WHEREAS**, the District retained NBS in October of 2018 to conduct a water and sewer connection charge study to ensure these fees reflect the cost of capital infrastructure needed to serve new connections, or any person requesting additional capacity in the District's water and/or sewer utility. NBS also evaluated water, sewer and recycled water rates, which are addressed in a separate report; and

**WHEREAS**, said charges provided herein include facility capacity fees, which represent new connections' pro-rata share of the costs of system capacity and capital facilities needed to serve new connections of the utilities system and which are not revenues derived from operation of the system; and

**WHEREAS**, deferred revenue charges recapture the financing costs associated with the wastewater capacity necessary for new connections; and

**WHEREAS**, the Board is empowered, pursuant to Ordinance 57.1, to establish, impose and collect capacity fees, on new connections to the utilities system so that such new connections contribute a pro-rata share of the costs of system capacity and facilities needed to provide service for such new connections.

**NOW, THEREFORE**, the Board of Directors of the Hidden Valley Lake Community Services District (HVLCD or District) do hereby RESOLVE, DETERMINE, AND ORDER as follows:

1. Water and Wastewater Connection Fees and Charges addressed at this public meeting as set forth in Exhibit "A", attached hereto and incorporated herein, are hereby approved and adopted.
2. The fees as set forth in the schedule attached hereto as Exhibit "A" represent a

new connection's pro-rata share of the cost of providing system capacity and facilities to provide service for new connections and will produce revenues not in excess of those required to provide Water and Wastewater System facilities in order to serve the additional demands and needs of the utilities system.

3. The revenue derived from the Water and Wastewater Facilities Connection Fees as imposed and set forth in Exhibit "A" attached hereto, shall be used respectively for the exclusive purpose of providing facilities for water source, treatment and transmission of the Water System and for facilities for treatment, transmission, disposal, and storage capacity of the Wastewater System. Such revenues shall not be used to replace existing components of either the Water System or the Wastewater System except to the extent that such replacement provides additional capacity to the Water System or the Wastewater System. Said revenues shall be maintained in separate funds and are not to be considered as or commingled with any other funds of the utilities system including, but not limited to, revenues derived from operation of the utilities system.
4. The capacity fees as set forth in Exhibit "A," attached hereto and made a part hereof by reference, are reasonable and are rationally related to the demand for system capacity and facilities generated by new connections.
5. Water and Wastewater Facilities Connection Fees as set forth in Exhibit "A" shall become effective immediately upon adoption of this Resolution.
6. All other previously approved capacity fees are rescinded upon adoption of this Resolution.

This Resolution shall be effective immediately upon adoption and shall remain in effect until changed by Board resolution.

**Section 1: New Construction Fees and Charges**

**Residential Fees for New Construction and Existing Homes**

**Water Fees**

Water meter fee	\$170.00
Water meter new install	\$130.00
Water hookup fee	\$9,137.00

**Sewer Fees**

Sewer inspection fee	\$100.00
Sewer Capital Facility Fee	\$9,537 per HEU

**Commercial Fees for New Construction**

Commercial Water hookup fee 5/8", 3/4" meter * Resolution 2016-01	\$9,137.00
Commercial Water hookup fee 2" meter	\$73,095.00
Capacity connection fee per *HEU	\$9,537.00
Sewer inspection fee	\$100.00

\*HEU: House Equivalent Unit

\*Resolution 2016-01 Resolution Authorizing The Hidden Valley Lake Community Services District To Apply Monthly Base Fees For 5/8" And 3/4" Residential Meters To Be The Same 5/8" Rate For Residential Water Accounts

**Section 2: Validity**

If any section, subsection, clause, phrases, or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Resolution.

**Section 3: Effective Date**

This Resolution shall be effective beginning July 1, 2020

**Section 4: Repeal and Rescind**

Upon adoption of this Resolution, all previous Connection Fees shall be repealed and rescinded, effective July 1, 2020.

**PASSED AND ADOPTED** on May 19, 2020 by the following vote:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**



Jim Lieberman,  
Vice President of the Board of Directors

ATTEST: 

Penny Cuadras,  
Secretary to the Board of Directors



