

Goleta Water District
BOARD OF DIRECTORS



William Rosen – President

Jack Cunningham – Vice-President

Bert Bertrando – Director

Lauren Hanson – Director

Rick Merrifield – Director

John McInnes – General Manager

Special Meeting Minutes

Action Summary

Thursday, April 7, 2011

5:30 P.M.

**Goleta Union School District
Board Room
401 North Fairview Avenue, Goleta, CA 93117**

Agendas, Supplemental Materials and Minutes of the Goleta Water District Board of Directors meetings are available on the internet at www.goletawater.com

5:30 p.m.Convened to special session

Roll call – President Rosen; Vice President Cunningham; Director Bertrando; Director Hanson; Director Merrifield

ALSO PRESENT WERE: John McInnes, General Manager; Matt Anderson, Administrative Manager/CFO; Tom Bunosky, Operations Manager; Chris Rich, Water Supply & Conservation Manager; David Matson, Assistant General Manager; Fran Farina, General Counsel; Mike Colantuono, Special Counsel of Colantuono & Levin, PC; Grant Hoag, of Camp Dresser & McKee, Inc.; and Beth Horn, Assistant Board Secretary

Welcome and Opening Remarks

President Rosen welcomed everyone to the special Goleta Water District Board of Directors Meeting and explained the purpose of the meeting is to consider options with respect to water rates and introduced, Mr. McInnes, the General Manager.

Mr. McInnes pointed out:

- One year ago, the Administration Committee started reviewing current rates and discussing how rates met the District’s needs in light of the record low revenues, and that low revenues have been consistent since that period.
- Since April of 2010, the District has reduced its expenditures by approximately 3 million dollars, recognized the absence of any reserve for emergency repairs, and identified more than 10 million dollars in critical unfunded improvements through the Board’s adopted Capital Improvement Plan.
- Throughout the past year, the District conducted several public meetings on this subject, engaged in extensive outreach to inform customers, and retained experts to insure all legal requirements are met throughout the process.
- It is important to recognize that the District delivers water to approximately 85,000 people within the District, has over 16,000 customers and delivers water that meets standards set forth by the State Public Health Department 24 hours a day, 365 days a year.
- The District has done an exceptional job in providing service and needs to continue delivering that same type of service as customers depend on the District for safe and reliable water.

At President Rosen’s request, Mr. McInnes gave a brief overview of each of the four rate options that are available for the Board’s consideration and mentioned it is clear that the District’s structural deficit can only be fixed through rate adjustments thereby assuring that the District maintains its mission to provide an adequate supply of quality water to customers.

Speakers on this item were Peter Koetting, Kirsten Deshler, Beth Collins-Burgard, Susan Petrovich, Katie Kasatkina, Jeff Nelson, Bruce Murdock, Jack Ruskey, Kristen Amyx, Paul Van Leer, Jennifer McGovern, Dan Singer, and Russell Ruiz.

1) PREFERRED RATES OPTIONS AND ASSOCIATED ACTIONS

Option 4

- a) A motion was made by Director Hanson, seconded by Director Cunningham, to adopt Resolution 2011-09 as modified directing staff to take certain related actions in connection with a public hearing regarding a proposed rate increase. The motion carried by the following roll call vote:

Ayes: 4 – Directors Cunningham, Hanson, Merrifield, Rosen

Nay: 1 – Director Bertrando

Resolution 2011-09 is attached to these minutes.

- b) A motion was made by Director Hanson, seconded by Director Cunningham, to adopt Resolution 2011-10 as presented modifying Table 7 of the 5-Year Infrastructure Improvement Plan. The motion carried by the following roll call vote:

Ayes: 4 – Directors Cunningham, Hanson, Merrifield, Rosen

Nay: 1 – Director Bertrando

Resolution 2011-10 is attached to these minutes.

- c) The Board tabled the ordinance amending Section 4.08.120 of the Goleta Water District Code regarding its reserve policy until the April 12 Board meeting.

d) A motion was made by Director Merrifield, seconded by Director Hanson, to adopt Ordinance 2011- 01 as modified amending section 5.04.010, 5.16.010, 5.16.040, 5.20.020 and Appendix A and adding sections 5.16.041 and 5.16.042 to the Goleta Water District Code with respect to the new water supply charge. The motion carried by the following roll call vote:

Ayes: 4 – Directors Cunningham, Hanson, Merrifield, Rosen

Nay: 1 – Director Bertrando

Ordinance 2011-01 is attached to these minutes.

7:50 p.m.....Meeting adjourned

DATED: 5/11/11

MINUTES PREPARED BY:

Beth Horn
BETH HORN, ASSISTANT BOARD SECRETARY

DATE APPROVED: 5/10/11

ATTEST:

Beth Horn
BETH HORN, ASSISTANT BOARD SECRETARY

William C. Rosen
WILLIAM C. ROSEN, PRESIDENT

RESOLUTION NO. 2011 – 09

A RESOLUTION OF THE GOLETA WATER DISTRICT BOARD OF DIRECTORS DIRECTING STAFF TO TAKE CERTAIN RELATED ACTIONS IN CONNECTION WITH A PUBLIC HEARING REGARDING A PROPOSED RATE INCREASE

WHEREAS, the Goleta Water District has prepared and adopted a 5-Year Infrastructure Improvement Plan; and

WHEREAS, the District has received a Cost of Service Study determining that the District's existing revenues are insufficient to fully fund the planned infrastructure improvements while maintaining a prudent reserve and funding the District's operating expenses; and

WHEREAS, the Board of Directors has carefully reviewed its options for rate structures that will meet the District's financial needs and satisfy legal requirements that constrain the District's rate-setting options; and

WHEREAS, pursuant to Article XIII D, Section 6 of the California Constitution, the Board of Directors must hold a noticed public hearing before increasing its rates; and

WHEREAS, the Board of Directors desires to conduct the necessary proceedings to implement a rate increase.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Goleta Water District as follows:

1. Staff is directed to set a public hearing for June 1, 2011 (the "Public Hearing") on the schedule of rates set forth in Exhibit "A" to this Resolution (the "Increased Rates").
2. The Public Hearing shall be conducted in the manner set forth in Article XIII D, Section 6(a) of the California Constitution.
3. Staff is directed to mail notice of the Public Hearing to the customer of record for each parcel affected by the Increased Rates.
4. In connection with the Public Hearing, the District will accept and tabulate protests in accordance with the District's previously adopted "Guidelines for the Submission and Tabulation of Protests."

PASSED and ADOPTED by the Board of Directors of the Goleta Water District this 7th day of April, 2011 by the following roll call vote:

AYE: Directors Cunningham, Hanson, Merrifield, Rosen

NAY: Director Bertrando


ABSENT: None

ABSTAIN: None

ATTEST:



JOHN D. MCINNES
DISTRICT SECRETARY



WILLIAM C. ROSEN, PRESIDENT
BOARD OF DIRECTORS



NOTICE OF PUBLIC HEARING PROPOSED WATER RATE INCREASE

Date: June 1, 2011
 Time: 5:30 p.m.
 Where: Goleta Union School District
 Board Room
 401 N. Fairview Ave, Goleta

Name
 123 Street Name
 City, State, Zip

Notice is hereby given that the Goleta Water District will hold a public hearing, at the above-indicated time and place, to consider a proposed increase to the rates the District charges its customers. The proposed rate increase will fund increasing water system costs caused by the ongoing need to repair, operate and upgrade the water system including operating costs, capital costs, and the cost to purchase water. Customers are billed water rates each month, calculated with a monthly base rate (the fixed meter service charge) plus an additional amount based on the amount of water consumed (the commodity charge). The proposed rates, to be effective with bills issued after the dates shown below, are as follows:

Description	Current	Proposed				
		July 1, 2011	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015
Commodity Charges (\$ / HCF)						
Urban Ultra-Low Water Use (less than 4 HCF)	\$3.55	\$4.12	\$4.58	\$4.90	\$5.04	\$5.09
Urban	\$3.71	\$4.30	\$4.78	\$5.12	\$5.27	\$5.32
Recreation Irrigation	\$2.68	\$3.11	\$3.45	\$3.70	\$3.81	\$3.84
Reclaimed	\$2.17	\$2.49	\$2.76	\$2.96	\$3.05	\$3.08
Urban Agricultural	\$1.00	\$1.16	\$1.29	\$1.38	\$1.42	\$1.43
West Conduit System Agricultural	\$1.00	\$1.06	\$1.18	\$1.26	\$1.30	\$1.31
Fixed Meter Service Charges (\$ / Month)						
5/8" & 3/4" Meters (Based on average 12 month water use)						
Ultra-Low Flow (4 or less HCF)	\$9.21	\$10.68	\$11.87	\$12.70	\$13.08	\$13.21
Low Flow (5 to 8 HCF)	\$18.42	\$21.37	\$23.74	\$25.40	\$26.16	\$26.42
All other 5/8" & 3/4" Meters	\$27.63	\$32.05	\$35.61	\$38.10	\$39.24	\$39.64
1 - inch	\$46.06	\$53.43	\$59.36	\$63.52	\$65.42	\$66.08
1 1/2 - inch	\$92.10	\$106.84	\$118.69	\$127.00	\$130.81	\$132.12
2 - inch	\$147.38	\$170.96	\$189.94	\$203.23	\$209.33	\$211.42
3 - inch	\$276.33	\$320.54	\$356.12	\$381.05	\$392.48	\$396.41
4 - inch	\$460.55	\$534.24	\$593.54	\$635.09	\$654.14	\$660.68
6 - inch	\$921.09	\$1,068.46	\$1,187.06	\$1,270.16	\$1,308.26	\$1,321.35
8 - inch	\$1,473.76	\$1,709.56	\$1,899.32	\$2,032.28	\$2,093.24	\$2,114.18
10 - inch	\$3,500.72	\$4,060.84	\$4,511.59	\$4,827.40	\$4,972.22	\$5,021.94

To ensure that rates reflect the effects of any unusual inflation, the rates shown above may increase each year through and including FY 2015-16 (if this calculation leads to a positive percentage) by two-thirds of the percentage change over 3% per year in the Consumer Price Index for Los Angeles-Anaheim-Riverside for all urban consumers since the most recently published value as of July 1, 2011. Recognizing that the remaining 1/3 of the District's total annual expenditures are for supply costs paid to the Central Coast Water Authority (CCWA), the rates shown above may also increase by one-third of the percentage increase over 3% per year of CCWA rates since July 1, 2011. This automatic adjustment may occur without the need for additional proceedings by the District.

(See Reverse for Rate Examples and Information on how to submit Protests and Testimony)

How to Submit Protests and Testimony

You were sent this notice because the District's records indicate that you are the customer of record for a parcel that will be subject to the proposed rates. You have the right to submit a written protest against the rate proposal. If written protests are received with respect to a majority of the parcels subject to the water rates, then the rate increase will not be imposed.

Please note that written protests must be *received* at the District's Offices or mailing address by 5:00 PM on June 1, 2011. The District's Offices are located at 4699 Hollister Ave., Goleta, CA 93110. The mailing address for protests is Water Rate Protest, Goleta Water District P.O. Box 817, Goleta, CA, 93116.

Written protests may also be submitted at the June 1, 2011 public hearing. The time and location of the hearing is indicated on the front of this notice.

You may also provide oral or written testimony to the Board at the hearing. However, only written protests will be tabulated. **Faxed and e-mailed protests cannot be accepted.** Each protest must:

- (i) Indicate that it is a protest against the water rate increase;
- (ii) Identify (by address or Assessor's Parcel Number) the parcel for which the protest is submitted;
- (iii) Indicate the name of the person submitting the protest; and
- (iv) Bear the original signature of the person submitting the protest.

In addition to accepting protests from customers of record for an affected parcel, the District will also accept protests from anyone who is (i) the record owner of an affected parcel, (ii) a person with a legal interest in an affected parcel, or (iii) a person who is legally responsible to pay the water rates for an affected parcel. Protests submitted by people who are not record owners or customers of record for a parcel must include, along with their protest, evidence of their eligibility to submit a protest.

Protests will be accepted and tabulated pursuant to the District's "Guidelines for the Submission and Tabulation of Protests." These Guidelines can be found online at www.goletawater.com and are also available for review at the District's Offices.

"EXHIBIT A"

Most urban residential users have a 5/8" or 3/4" meter. The size of your meter is stamped on the meter.

Typical Water Billing Comparisons - Current vs. Proposed Rates

Customer Class	Example	Assumed Monthly Usage (hcf**/month)	Current Monthly Bill	Total Monthly Water Charges *				
				Proposed July 1, 2011	Proposed July 1, 2012	Proposed July 1, 2013	Proposed July 1, 2014	Proposed July 1, 2015
Single Family Residential	Ultra low user 3/4" meter, 4 HCF and less 12 month trailing average	4	\$23.41	\$27.16	\$30.19	\$32.30	\$33.24	\$33.57
	Low user, 3/4" meter, 5 to 8 HCF, 12 month trailing average	8	\$48.10	\$55.77	\$61.98	\$66.36	\$68.32	\$68.98
	Average user, 3/4" meter, more than 8 HCF, 12 month trailing average	13	\$75.86	\$87.95	\$97.75	\$104.66	\$107.75	\$108.80
Multi-Family Residential	6 dwelling units, 1" meter	42	\$201.88	\$234.03	\$260.12	\$278.56	\$286.76	\$289.52
Commercial	3/4" meter	73	\$298.46	\$345.95	\$384.55	\$411.86	\$423.95	\$428.00
Recreation	3/4" meter	69	\$212.55	\$246.64	\$273.66	\$293.40	\$302.13	\$304.60
Agriculture, on Potable System	2" meter, 1 residential unit	500	\$677.19	\$785.50	\$873.33	\$934.37	\$961.68	\$969.21
Agriculture, on Goleta West Conduit System	2" meter, 1 residential unit	500	\$677.19	\$736.60	\$819.54	\$875.69	\$903.00	\$910.53
Institutional	4" meter	1000	\$4,170.55	\$4,834.24	\$5,373.54	\$5,755.09	\$5,924.14	\$5,980.68
Recycled	6" meter	1000	\$3,091.09	\$3,558.46	\$3,947.06	\$4,230.16	\$4,358.26	\$4,401.35

* - Before automatic adjustments for unusual inflation
 ** - Hundred Cubic Feet

For more information, including a complete listing of all current and proposed rates, please visit our website at www.goletawater.com.

RESOLUTION NO. 2011 – 10

**A RESOLUTION OF THE GOLETA WATER DISTRICT BOARD OF DIRECTORS
MODIFYING TABLE 7 OF THE 5-YEAR INFRASTRUCTURE IMPROVEMENT
PLAN**

WHEREAS, a 5-Year Infrastructure Improvement Plan was presented to the Board of Directors at its January 11, 2011 meeting; and

WHEREAS, the Board of Directors unanimously adopted the 5-Year Infrastructure Improvement Plan; and

WHEREAS, Table 7: 5-Year Infrastructure Improvement Plan Matrix was included in the adoption; and

WHEREAS, certain modifications to Table 7 are required.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Goleta Water District that the modified Table 7 attached hereto and made a part hereof is hereby adopted and effective immediately.

PASSED and ADOPTED by the Board of Directors of the Goleta Water District this 7th day of April, 2011, by the following roll call vote:

AYE: Directors Cunningham, Hanson, Merrifield, Rosen

NAY: Director Bertrando


ABSENT: None

ABSTAIN: None

ATTEST:



JOHN D. MCINNES
DISTRICT SECRETARY



WILLIAM C. ROSEN, PRESIDENT
BOARD OF DIRECTORS

Table 7: 5-Year Infrastructure Improvement Plan (Amended March 23, 2011)

Ref.	Project Name	Score	2010-11	2011-12	2012-13	2013-14	2014-15	TOTAL 5 year spend
Regulatory Requirements and/or Critical Needs								
G1-1.1	CDMWTP Backwash Basin Improvement Project	R&C	\$ -	-	53,000	150,000	-	203,000
G1-1.2	CDMWTP Sludge Drying Beds 1 and 2 Construction Project	R&C	-	-	-	-	2,077,000	2,077,000
G1-1.3	CDMWTP Sludge Drying Bed 3 Construction Project	R&C	600,000	-	-	1,334,000	-	1,934,000
G1-1.4	CDMWTP Overflow Basin Construction Project	R&C	550,000	-	-	1,101,000	-	1,651,000
G1-2a	Arc Flash Protection Improvements - COP funded	R&C	178,000	127,250	127,250	-	-	432,500
G1-2b	Arc Flash Protection Improvements - Capital Fund	R&C	-	-	-	127,250	127,250	254,500
G1-3	Recycled Water Booster Station Electrical Upgrades (el GSD)	R&C	-	474,000	-	-	-	474,000
G1-4	CDMWTP Leach Field Replacement	R&C	30,000	139,000	-	-	-	169,000
G1-5	LUFT Seal and Cap Monitoring Wells	R&C	-	57,000	-	-	-	57,000
G1-6	Caltrans - Calle Real Waterline Relocation Project	R	2,000	10,000	70,000	-	-	82,000
G1-7	SB County El Embarcadero Improvements Project	R	47,000	75,000	-	-	-	122,000
G1-8	City-San Jose Creek Waterline Relocation for Creek Widening	R	-	300,000	-	-	-	300,000
G1-9	City-Los Carmelo Waterline Relocation for Bridge Replacement	R	-	250,000	750,000	-	-	1,000,000
G1-10	City-San Jose Creek Waterline Relocation for Hollister Bridge Replacement	R	-	-	-	300,000	-	300,000
G1-11	Recycled Waterline Relocation Project at Goleta Beach	R	-	-	-	100,000	530,000	630,000
G1-12	Lateral 14 - Waterline Replacement Project	C	-	99,000	-	-	-	99,000
G1-13	Valve Replacement Program	C	-	297,000	155,000	155,000	155,000	762,000
G1-14	Polybutylene Service Line Replacement Program	C	-	-	78,000	78,000	78,000	234,000
G1-15	Copper Service Line Replacement Program	C	-	-	319,000	319,000	319,000	957,000
G1-16a	Pressure Reducing Valve & Combination Air Valve Repair & Replacement Program - COP Funded	C	-	40,000	11,000	-	-	51,000
G1-16b	Pressure Reducing Valve & Combination Air Valve Repair & Replacement Program - Capital Fund	C	-	-	-	11,000	11,000	22,000
Subtotal			\$ 1,405,000	1,867,250	1,563,250	3,675,250	3,297,250	11,808,000
Projects Vital to Sustain Infrastructure								
Water Supply/Production Reliability Projects								
G2-1	Transmission Main Valve Installation at Patterson	96	-	-	-	108,000	-	108,000
G2-2	Recycled Water GSD Booster Station Pump Rebuild Project	88	-	35,000	-	-	-	35,000
G2-3	Distribution System Hydraulic Model Update	80	-	-	-	-	50,000	50,000
G2-4	San Ricardo Well Rehab Project (Prop. 50)	80	-	500,000	1,147,000	-	-	1,647,000
Infrastructure and Equipment - Replacement, New, & Maintenance Projects								
G3-1	Corrosion Protection Project	96	-	152,000	125,000	125,000	125,000	527,000
G3-2	Fleet Replacement Program	90	-	-	80,500	80,500	80,500	241,500
G3-3	Construction Equipment Replacement Program	90	-	-	57,500	57,500	57,500	172,500
G3-4	Essential Software (GIS,CADD,CIS) and Network Updates	87	-	57,000	57,000	57,000	57,000	228,000
G3-5	Upsizing of Pipelines	85	-	88,000	86,000	88,000	86,000	348,000
G3-6	Radio Read Meters in Difficult Access Routes	84	-	23,000	51,000	63,000	39,000	176,000
G3-7	CDMWTP Modicon Compact PLC Replacement	84	-	-	-	74,000	-	74,000
G3-8	CDMWTP Filter Media Replacement (1 Filter)	81	-	152,000	-	-	-	152,000
G3-9	CDMWTP Access Road Improvements	81	-	-	-	-	412,000	412,000
G3-10	Cathedral Oaks-Hwy 101 Overcrossing Project (Phase 1)	81	245,000	-	-	-	-	245,000
G3-11	Equipment for Fire Flow Testing and Flushing	80	10,000	-	-	-	-	10,000
Financial Benefit Projects								
G4-1	Meter Replacement Program	84	-	81,000	81,000	81,000	81,000	324,000
G4-2	Van Horne Turbine Generator Replacement & Hydro-Electric Study	80	-	144,000	-	-	-	144,000
TOTAL SPENDING - ALL PROJECTS			\$ 1,660,000	3,097,250	3,248,250	4,407,250	4,285,250	16,698,000
SPENDING ON COP-FUNDED PROJECTS ONLY			\$ 1,660,000	\$ 546,250	\$ 208,250	\$ 2,435,000	\$ -	\$ 4,849,500

ORDINANCE NO. 2011 - 01

AN ORDINANCE OF THE GOLETA WATER DISTRICT BOARD OF DIRECTORS AMENDING SECTIONS 5.04.010, 5.16.010, 5.16.040, 5.20.020 AND APPENDIX A OF, AND ADDING SECTIONS 5.16.041 AND 5.16.042 TO, THE GOLETA WATER DISTRICT CODE WITH RESPECT TO THE NEW WATER SUPPLY CHARGE

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE GOLETA WATER DISTRICT AS FOLLOWS:

FINDINGS

1. Pursuant to Chapter 5.16 of the Goleta Water District Code, the District imposes a New Water Supply Charge.
2. The New Water Supply Charge is a “capacity charge” for purposes of Government Code Section 66013(b)(3) because it is a charge “for public facilities in existence at the time a charge is imposed or ... for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other rights of the local agency involving capital expense relating to its use of existing or new public facilities.” The New Water Supply Charge is not a “commodity charge.”
3. At the request of the District, Camp Dresser & McKee, Inc. (CDM) prepared a Technical Memorandum dated February 17, 2011 to calculate the appropriate rate for the New Water Supply Charge to ensure that new developments bear their proportional share of the costs of new water supplies and existing facilities.
4. This ordinance does not constitute a project under the California Environmental Quality Act (CEQA) Guidelines as set forth in Title 14, Section 15378 of the California Code of Regulations, because it amends a government funding mechanism which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (§15378(b) (4)) and is an administrative activity of government that will not result in direct or indirect physical changes in the environment (§15378(b) (5)). Furthermore, if this ordinance were a project, it is categorically exempt from CEQA pursuant to Title 14, Section 15273(a) of the California Code of Regulations, because it establishes rates and charges to fund current operating expenses of the District including payment for State Water supplies.
5. On April 7, 2011, the Board of Directors held a full and fair public hearing, noticed pursuant to Section 66016 of the Government Code, regarding the New Water Supply Charge.

NOW THEREFORE BE IT ORDAINED:

1. Section 5.04.010-D of the Goleta Water District Code is amended to read as follows:

“5.04.010 Definitions.

D. “New Water Supply Charge” means the charge imposed by Chapter 5.16 of this Code.”

2. Section 5.16.010 of the Goleta Water District Code is amended to read as follows:

“5.16.010 Statement of Purpose; Separate Fund.

A. The purpose of the New Water Supply Charge is to recover a portion of the District’s costs of supply or capacity contracts for water rights or entitlements and of public facilities in existence at the time the charge is imposed.

B. The proceeds of the New Water Supply Charge shall be: (i) deposited into a separate capital facilities fund with other charges received, (ii) accounted for in a manner to avoid any commingling with other moneys of the District, except for investments, and (iii) expended solely for the purposes for which this Code imposes the New Water Supply Charge. Any interest income earned from the investment of moneys in the capital facilities fund shall be deposited in that fund.”

3. Section 5.16.040 of the Goleta Water District Code is amended to read as follows:

“5.16.040 Computation of Charges.

A. The rate of the New Water Supply Charge per acre-foot of estimated annual new water service demand shall be as set forth in Paragraph 12 of Appendix A of this Code.

B. The estimated annual new water service demand for a project shall be calculated by a District-approved licensed engineer or other licensed professional, according to District Standards & Specifications. The General Manager shall review the calculations and approve, modify or reject such calculations. If the calculations are not approved as submitted, the applicant submitting the estimate may revise the estimate until either (i) the General Manager approves a revised estimate or (ii) the General Manager establishes an estimate.

C. The applicant may appeal to the District Board a determination of the General Manager (i) calculating estimated annual new water service demand or (ii) rejecting such an estimate within thirty (30) days following the issuance of the General Manager’s determination. In the absence of a timely appeal, the General Manager’s determination shall be final.”

4. Section 5.16.041 is added to the Goleta Water District Code to read as follows:

“5.16.041 Determination of New Water Service Demand.

- A. In any case where a project is to be located on a parcel of land which has had a prior allocation of water for which a New Water Supply Charge has been paid, the new water service demand shall be the number of acre feet per year (AFY) calculated for such project less that prior allocation of water.
- B. In any case where a project is located on a parcel of land which has not had a prior allocation of water for which a New Water Supply Charge has been paid, the number of AFY used by the parcel shall be calculated by using the records of the District to determine the historical use of water by such parcel.
 - 1. General Rule. The applicant shall select any seven consecutive calendar years prior to January 1, 1997 as the measurement period for determining historical water use. The years with greatest and least water consumption shall be disregarded and the remaining years shall be totaled and divided by five.
 - 2. Special Rule. If in making the calculation required by the General Rule stated immediately above, it is evident that the data for a year is missing or the result of fraud or unreasonable or improper use of water, the District shall calculate historical use using its best estimates of use occurring during that year based on evidence of the manner in which the land was used during that period.
 - 3. Multiple Parcel Rule. For purposes of the calculations required by this section, data and permit information for all parcels comprising a project may be consolidated.
- C. Special Allocation of Water and Capacity. An applicant and the District may enter into an agreement whereby the District, in exchange for a payment from the applicant, allocates new water and capacity to the applicant for a fixed period of time in anticipation of a planned development project. Such agreement may provide that, in the event the applicant develops all or part of the project during the period covered by the agreement, all or a portion of the amount paid to the District under the agreement will be applied towards the New Water Supply Charge for such project. Where an applicant has entered into such an agreement with the District, nothing in this Code shall be interpreted to require that the District grant the applicant any rights, or make any payment or refund of money, other than as set forth in the agreement.
- D. The General Manager may adopt regulations consistent with the provisions of this section which, upon publication in the manner required for ordinances of this District, shall apply to the calculation and payment of New Water Supply Charges paid thereafter.”

5. Section 5.16.042 is added to the Goleta Water District Code to read as follows:

“5.16.042 Recognition of Existing Water Rights.

Nothing herein is intended to affect the rights of any parties or the obligation of the District pursuant to the Judgment in the action known as *Wright v. Goleta Water District*, Santa Barbara Superior Court Case No. SM57969. This chapter is not intended to affect any rights held under any existing Water Service Agreements, nor any other vested right to water service held by any persons.”

6. Section 5.20.020-B-2 of the Goleta Water District Code is amended to read as follows:

“5.20.020 Classification of Users.

B. New Users of District Reclaimed Water Service.

2. New Water Supply Charges.

Customers in this class are expected to require both potable and reclaimed water. New Water Supply Charges shall be separately calculated for potable and reclaimed water service pursuant to Chapter 5.16 of this Code.”

7. Paragraph 12 of Appendix A of the Goleta Water District Code is amended to read as follows:

“Appendix: A Schedule of Charges.

12. New Water Supply Charge.

The New Water Supply Charge for new service applicants will be imposed pursuant to Chapter 5.16 of this Code at the following rates per acre-foot of estimated annual new water service demand:

<u>System</u>	<u>Eff. 2011</u>	<u>July 1 2012</u>	<u>July 1, 2013</u>
Potable Water	\$32,614	\$38,987	\$45,361
Goleta West Conduit Non-potable Water	\$30,910	\$35,580	\$40,250
Recycled Water	\$16,421	\$16,749	\$17,084

8. This Ordinance shall be effective at 12:01 a.m. sixty (60) days following its adoption.

9. All prior District Resolutions and Ordinances regarding the New Water Supply Charge are hereby superseded and rescinded to the extent of their inconsistency with the provisions of this Ordinance.

10. If any subdivision, sentence, clause, or phrase of this Ordinance is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforcement of the remaining portions of this Ordinance or of any

other provisions of the Goleta Water District Code. It is the District's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

PASSED AND ADOPTED by the Board of Directors of the Goleta Water District this 7th day of April, 2011 by the following vote:

AYE: Directors Cunningham, Hanson, Merrifield, Rosen

NAY: Director Bertrando

ABSENT: None

ABSTAIN: None

ATTEST:



**JOHN D. MCINNES, GENERAL MANAGER
DISTRICT SECRETARY**



**WILLIAM C. ROSEN, PRESIDENT
BOARD OF DIRECTORS**

***** No change from current Code.**

Title 5

NEW WATER SUPPLY AND SERVICE

Chapters:

- 5.04 General Provisions
- 5.08 Procedures for New Water Service
- 5.12 Repealed by Ordinance 2007-02
- 5.16 New Water Supply Charge
- 5.20 Reclaimed Water Service
- 5.24 Water System Improvements, Main Extensions
and Benefited Property Charges

Chapter 5.04

GENERAL PROVISIONS

Sections:

5.04.010 Definitions.

5.04.010 Definitions.

The following definitions shall apply to the terms set forth in this title:

A. "Active service connection" means a connection to the district's water distribution system for service to a property, with an annual water use greater than zero and/or the customer has continuously paid a meter charge to the district. Reclaimable meters are also categorized as an active service connection for purposes of this title.

B. "Can and will serve letter" means a written document issued by the district for the purpose of stating that the district will serve the applicant's property or project.

C. "New development" means any change to unimproved or improved real property, including but not limited to, replacement, expansion, construction, reconstruction, or alteration of buildings or structures, which requires the issuance of a land use permit and/or building permit.

D. "New ~~w~~Water ~~s~~Supply ~~e~~Charge" means ~~a fee~~ the charge imposed by Chapter 5.16 of this Code, ~~d~~ by the district to an applicant for new water service, to recover a portion of the costs to the district of developing new water supplies necessary to provide such service. See Appendix A, No. 14.

E. "Property Subject to Service by an Active Service Connection." An active service connection may only be used to serve a parcel of land that was served by that active service connection prior to June 4, 1991, or the property specifically approved for water service, after that date. If, subsequent to June 4, 1991, or the date that water service to the property was first approved, whichever date is later, the configu-

ration of the parcel of land has been changed by way of lot line adjustment, division of land or otherwise, the property entitled to water service from the existing active service connection shall be those parcels of land which are completely within the boundary of the parcel of land served by the active service connection, prior to the change in configuration. Any property outside that parcel boundary or any part of that boundary, shall be subject to the new water service procedures, including payment of the new water supply charge, if applicable, as provided in Chapter 5.08.

F. "Reclaimable meter" means water service available to a property that has previously been served potable water through a district meter and that meter has been removed from the property by the district. (Ord. 02-1; Added during the 1999 codification)

Chapter 5.08

PROCEDURES FOR NEW WATER SERVICE

Sections:

- 5.08.010 Statement of purpose.
- 5.08.020 Application procedures.
- 5.08.030 Approval of new water service.
- 5.08.040 Compliance with district rules and regulations.
- 5.08.050 Disclaimer regarding existing vested rights to water service.

5.08.010 Statement of purpose.

The purpose of this chapter is to set forth the procedures for application and approval of new water service. These procedures apply to new water service for new development, as well as new water service for other uses, including but not limited to expanded water service on property with an existing active service connection. (Ord. 02-1 § 6)

5.08.020 Application procedures.

A. Any request for water service subject to the terms of this chapter shall be submitted to the district in a written application on the form provided by the district.

B. The district application shall be submitted after initiation of any application process required by the city of Goleta or the county for new development.

C. An application for new water service for new development shall include all necessary information from the city of Goleta or county application file for the new development, including but not limited to the identification of the property to be served, and the use of the water service requested.

D. The district application for all other new water service, not associated with new development, shall include the identification of the property to be served, the use of the water service requested, and information necessary to calculate the estimated amount of water required annually for the new water service.

E. Within ten (10) working days after the submission of the district application, district staff shall inform the applicant whether the application is complete. If the application is deemed not complete, district staff shall state in writing the information necessary to make the application complete.

F. After the application has been deemed complete, district staff shall, within twenty (20) working days, determine the conditions for approval of the new water service, and shall issue a letter to the applicant stating those conditions. (Ord. 02-1 § 6)

5.08.030 Approval of new water service.

Upon completion of the application process set forth in this chapter, and compliance with all district conditions for approval stated in the conditions letter issued pursuant to Section 5.08.020(F) above including payment of fees, district staff shall provide a report to the general manager, who shall review the report and approve or reject such report. If the general manager shall reject the report's recommendation, the general manager shall state his reasons therefore and the determination shall be served on the applicant. If the general manager shall approve the report, the general manager shall approve the new water service and issue a "can and will serve letter", if required. The general manager may adopt such regulations related to the issuance of "can and will serve letters" as shall be consistent with this code. (Res. 10-32)

5.08.040 Compliance with district rules and regulations.

In addition to the terms of this chapter, the applicant shall comply with all district rules and regulations, including but not limited to payment of all applicable fees including the fee required by Chapter 5.16. (Ord. 02-1 § 6)

5.08.050 Disclaimer regarding existing vested rights to water service.

This chapter is not intended to affect the rights of any parties nor the obligations of the district pursuant to the judgment in the action known as Wright vs. Goleta Water District, Santa Barbara superior court case No. SM57969. This chapter is not intended to affect any rights held under any existing water service agreements, nor any other vested right to water service held by any persons. (Ord. 02-1 § 6)

5.08.010

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Chapter 5.16

NEW WATER SUPPLY CHARGE

Sections:

- 5.16.010 Statement of purpose.
- 5.16.020 Reference.
- 5.16.030 Applicability.
- 5.16.040 Computation of charges.
- 5.16.050 Payment date.

**5.16.010 Statement of purpose;
Separate Fund.**

~~A. The purpose of the New Water Supply Charge is to recover a portion of the District's costs of supply or capacity contracts for water rights or entitlements and of public facilities in existence at the time the charge is imposed to the district for developing additional new water supplies necessary to provide such additional service. (Ord. 02-1 § 8 (part); Amended during 1999 codification; Rule No. 36(A)(part))~~

B. The proceeds of the New Water Supply Charge shall be: (i) deposited into a separate capital facilities fund with other charges received, (ii) accounted for in a manner to avoid any commingling with other moneys of the District, except for investments, and (iii) expended solely for the purposes for which this Code imposes the New Water Supply Charge. Any interest income earned from the investment of moneys in the capital facilities fund shall be deposited in that fund.

5.16.020 Reference.

The charge or fee imposed hereunder shall be known and referred to as the "New Water Supply Charge" and is to be distinguished from the oversizing requirements and charges therefore contained in Chapter

5.24 of this code. (Ord. 02-1 § 8 (part); Amended during 1999 codification; Rule No. 36(A)(part))

5.16.030 Applicability.

New water service shall be subject to the new water supply charge. The conditions letter issued by the district to the applicant pursuant to Section 5.08.020(F) shall include the amount of the new water supply charge for the new service. (Ord. 02-1 § 8 (part); Amended during 1999 codification; Rule No. 36(A)(part))

5.16.040 Computation of charges.

A. The rate of the New Water Supply Charge per acre-foot of estimated annual new water service demand shall be as set forth in Paragraph 12 of Appendix A of this Code.

B. The estimated annual new water service demand for a project shall be calculated by a District-approved licensed engineer or other licensed professional, according to District Standards & Specifications. The General Manager shall review the calculations and approve, modify or reject such calculations. If the calculations are not approved as submitted, the applicant submitting the estimate may revise the estimate until either (i) the General Manager approves a revised estimate or (ii) the General Manager establishes an estimate.

C. The applicant may appeal to the District Board a determination of the General Manager (i) calculating estimated annual new water service demand or (ii) rejecting such an estimate within thirty (30) days following the issuance of the General Manager's determination. In the absence of a timely appeal, the General Manager's determination shall be final.

~~The formula for determining this charge is found in the schedule of charges in Appendix A to this code, No. 14, under new water supply charge. (Ord. 02-1-§ 8 (part); Amended during 1999 codification; Rule No. 36(B))~~

~~5.16.041 Determination of New Water Service Demand~~

A In any case where a project is to be located on a parcel of land which has had a prior allocation of water for which a New Water Supply Charge has been paid, the new water service demand shall be the number of acre feet per year (AFY) calculated for such project less that prior allocation of water.

B In any case where a project is located on a parcel of land which has not had a prior allocation of water for which a New Water Supply Charge has been paid, the number of AFY used by the parcel shall be calculated by using the records of the District to determine the historical use of water by such parcel.

1. **General Rule.** The applicant shall select any seven consecutive calendar years prior to January 1, 1997 as the measurement period for determining historical water use. The years with greatest and least water consumption shall be disregarded and the remaining years shall be totaled and divided by five.
2. **Special Rule.** If in making the calculation required by the General Rule stated immediately above, it is evident that the data for a year is missing or the result

of fraud or unreasonable or improper use of water, the District shall calculate historical use using its best estimates of use occurring during that year based on evidence of the manner in which the land was used during that period.

3. **Multiple Parcel Rule.** For purposes of the calculations required by this section, data and permit information for all parcels comprising a project may be consolidated.

C **Special Allocation of Water and Capacity.** An applicant and the District may enter into an agreement whereby the District, in exchange for a payment from the applicant, allocates new water and capacity to the applicant for a fixed period of time in anticipation of a planned development project. Such agreement may provide that, in the event the applicant develops all or part of the project during the period covered by the agreement, all or a portion of the amount paid to the District under the agreement will be applied towards the New Water Supply Charge for such project. Where an applicant has entered into such an agreement with the District, nothing in this Code shall be interpreted to require that the District grant the applicant any rights, or make any payment or refund of money, other than as set forth in the agreement.

D. The General Manager may adopt regulations consistent with the provisions of this section which, upon publication in the manner required for ordinances of this District, shall apply to the calculation and payment of New Water Supply Charges paid thereafter.

~~5.16.042 Recognition of Existing Water Rights.~~

~~Nothing herein is intended to affect the rights of any parties or the obligation of the District pursuant to the Judgment in the action known as *Wright v. Goleta Water District*, Santa Barbara Superior Court Case No. SM57969. This chapter is not intended to affect any rights held under any existing Water Service Agreements, nor any other vested right to water service held by any persons~~

5.16.050 Payment date.

The new water supply charge shall be paid prior to issuance of a can and will serve letter or application approval. (Ord. 02-1 § 8 (part); Amended during 1999 codification; Rule No. 36(C))

Chapter 5.20

RECLAIMED WATER SERVICE

Sections:

- 5.20.010 Statement of purpose.
- 5.20.020 Classification of users.
- 5.20.030 Application procedures.
- 5.20.040 Issuance of can and will serve letter.
- 5.20.050 Can and will serve letters not transferable.
- 5.20.060 User agreement.
- 5.20.070 Compliance with district rules and regulations.
- 5.20.080 Regional Water Quality Control Board.
- 5.20.090 Disclaimer regarding existing vested rights to water service.

5.20.010 Statement of purpose.

The purpose of this chapter is to establish the class of customers and procedures to provide reclaimed water service. (Added during 1999 codification)

5.20.020 Classification of users.

A. Existing Potable Water Customers That Substitute for Reclaimed Water Use.

1. Customer Description. An existing District potable water customer that substitutes an existing use of potable water for reclaimed water.

2. New Water Supply Charges. No fee is imposed.

3. On-Site Facilities. Customer pays the cost of all necessary on-site facilities.

4. Off-Site Facilities. For the customer whose property abuts the district's reclaimed water distribution facilities, there is no charge for connection facilities. The district pays the cost of the meter and the main connection.

5. Water Rate. The water rate for reclaimed water shall be the actual cost of service water rate established by the Board of Directors from time to time, not to exceed the Urban potable water rate.

B. New Users of District Reclaimed Water Service.

1. Customer Description. A new customer proposing a new project that may use District reclaimed water or an existing customer that proposes a new use of district reclaimed water service.

2. New Water Supply Charges. ~~A fee is imposed. The standard anticipated customers in this class will~~ **are expected to require both potable water and reclaimed water. New Water Supply Charges shall be separately calculated for potable and reclaimed water service pursuant to Chapter 5.16 of this Code.** ~~There is no distinct fee for reclaimed water service per se. The fee pays for water service for a new project whether that project requires potable and/or reclaimed water.~~

3. On-Site Facilities. Customer pays the cost of all required on-site facilities.

4. Off-Site Facilities. Customer pays for any required new off-site facilities.

5. Water Rate. Cost of service not to exceed the urban potable water rate.

C. Low Impact Reclamation Customer.

1. Customer Description. A new project that may be served with district reclaimed water. The low impact reclamation customer ("LIRC") policy is an alternative to the new customer policy described in subsection B of this section.

2. New Water Supply Charges. As an alternative to the payment of new water supply charges, the LIRC pays a pro rata share of the capital cost of the reclaimed water project facilities and makes a contribution of a permanent source of potable water to the district for peaking requirements. Appendix C, which is made a part of this statement, is entitled "Service Policies for Low Impact Reclamation Customers of

the Goleta Reclamation Project." Appendix C further describes the LIRC policy.

3. On-Site Facilities. The LIRC pays the cost of all required on-site facilities.

4. Off-Site Facilities. The LIRC pays the costs of any new main extensions and any other new facilities necessary to provide reclaimed water to the property. As described in subsection (C)(2) of this section, the LIRC also pays a pro rata share of the capital cost of all reclaimed water project facilities.

5. Water Rate. Cost of service not to exceed the urban potable water rate. (Amended during 1999 codification: Reclaimed Water Service Policy)

5.20.030 Application procedures.

A. Any request for water service subject to the terms of this chapter shall be submitted to the district in a written application on the form provided by the district.

B. That application shall be submitted after initiation of any application process required by the city of Goleta or county of Santa Barbara for new development.

C. The district application shall include all necessary information from the city of Goleta or county application file for the new development, including but not limited to the identification of the property to be served, the use of the water service requested, and all information necessary to calculate a water duty factor for the use requested.

D. Within ten (10) working days after the submission of the district application, district staff shall inform the applicant whether the application is complete. If the application is deemed not complete, district staff shall state in writing the information necessary to make the application complete.

E. After the application has been deemed complete, district staff shall, within twenty (20) working days, determine the conditions for issuance of a can and will

serve letter, and shall issue a letter to the applicant stating those conditions. (Amended during 1999 codification: Ord. 98-1 § 3(part))

5.20.040 Issuance of a can and will serve letter.

Upon completion of the application process set forth in this chapter, and compliance with all district conditions for issuance of a can and will serve letter, including the payment of fees, the district shall issue a can and will serve letter to the applicant. (Amended during 1999 codification: Ord. 98-1 § 5 (part))

5.20.050 Can and will serve letters not transferable.

Can and will serve letters issued by the district for a specific property may not be transferred to another property. Can and will serve letters issued for a specific project and water use, may not be used for a different project or water use, without prior approval of the district. (Ord. 98-1 § 6 (part))

5.20.060 User agreement.

Reclaimed water service shall be the subject of a standard form user agreement. (Res. 97-21 § 7)

5.20.070 Compliance with district rules and regulations.

In addition to the terms of this chapter, the applicant shall comply with all district rules and regulations, including but not limited to payment of all applicable fees including the fee required by Title 7 of this code and the reclaimed water user manual. (Amended during 1999 codification; Ord. 98-1 § 4 (part))

5.20.080

5.20.080 Regional Water Quality Control Board.

Reclaimed water service provided by the district is subject to California Regional Water Quality Control Board Order No. 97-06. (Res. 97-21 § 6)

5.20.090 Disclaimer regarding existing vested rights to water service.

This chapter is not intended to affect the rights of any parties nor the obligations of the district pursuant to the judgment in the action known as Wright vs. Goleta Water District, Santa Barbara superior court case No. SM57969. This chapter is not intended to affect any rights held under any existing water service agreements, nor any other vested right to water service held by any persons. (Ord. 98-1 § 7 (part))

Chapter 5.24

WATER SYSTEM IMPROVEMENTS, MAIN EXTENSIONS AND BENEFITED PROPERTY CHARGES

Sections:

- 5.24.010 Purpose.
- 5.24.020 Benefited property defined.
- 5.24.030 Determination of need and benefit.
- 5.24.040 Application.
- 5.24.050 Application--Cost.
- 5.24.060 District participation.
- 5.24.070 Dedication of facilities.
- 5.24.080 Construction of facilities.
- 5.24.090 Benefited property charge.
- 5.24.100 Computation and payment of charge.
- 5.24.110 Determination of refund.
- 5.24.120 Refund to applicants.
- 5.24.130 Time and amount limitation.
- 5.24.140 Applicability.

5.24.010 Purpose.

The purpose of this chapter is to:

- A. Provide for the orderly and reasonable development of the district's distribution system.
- B. Ensure that the district's system can supply sufficient pressures and flows for fire protection and customer use.
- C. Ensure that the district's system can be economically and efficiently maintained.
- D. Provide a method for distributing and collecting the cost of main extensions from those properties that are benefited therefrom. (Added during 1999 codification)

5.24.020 Benefited property defined.

"Benefited property" is defined as any property which may be served from any main water line installed or contracted for

and paid for by an applicant or by the district under these rules and regulations. (Amended during 1999 codification: Rule No. 37 (part))

5.24.030 Determination of need and benefit.

The district reserves the right to determine:

- A. The need for any main extension or other water system improvements.
- B. The property or properties benefited by any main extension.
- C. The prorated cost benefit between multiple benefited properties.
- D. The number and size of reservoirs, pumping plants and/or hydro-pneumatic pumping units shall be constructed as a part of the distribution extension at the applicant's sole cost. (Amended during 1999 codification: Rule No. 8 (part))

5.24.040 Application.

The district's water distribution system may be extended and/or improved inside the district boundaries to serve water to those making written application therefor upon the terms and conditions in this chapter. (Amended during 1999 codification: Rule No. 8 (part))

5.24.050 Application--Cost.

A. The applicant for an extension must agree, except as hereinafter provided to construct said water system improvements and/or extension at applicant's sole cost. The applicant must also agree to pay minimum charges and regular rates for water service as prescribed by these rules and regulations and must agree to be bound and abide by the rules and regulations of the district as they now or may hereafter exist.

B. Prior to the start of construction of improvements or an extension, the applicant must first grant to the district, without cost

to the district, all necessary easements and rights-of-way for said extension or improvements.

C. The applicant must deposit with the district the entire estimated amount of all district costs resulting from said extension together with a guarantee or bond in a form satisfactory to the district for the satisfactory installation of said extension or improvements.

D. Except as provided otherwise, the applicant shall pay all costs associated with the installation of new improvements, including but not limited to engineering, construction, inspection, permits, administrative, accounting and other agency fees.

E. Applicant shall remain responsible for the operation and maintenance of said line and the completion thereof until the applicant has made a formal offer of dedication and the district has accepted the same.

F. Immediately after the completion of the installation of the water improvements and/or main extension, the applicant will furnish the district a written statement of the actual cost to the applicant of making the extension, said statement to separately identify the actual costs of water mains, reservoirs, pumping plants, hydro-pneumatic units, fire hydrants, and stub water service connections.

G. The district shall have final authority for determination of acceptability of costs for district purposes. (Amended during 1999 codification; Rule No. 8 (part))

5.24.060 District participation.

A. In the event that the district requires that the extension be of a pipe size larger than necessary to serve the property of the applicant, the cost on account of installing a pipe larger than necessary shall be borne by the district, and shall be determined by the district. The amount of this cost will be paid to the applicant within thirty (30) days after

acceptance by the district of the statement of costs hereinafter provided for.

B. The district may at any time add additional extensions to any main extension without securing the consent of previous applicant.

C. When in the opinion of the district, any portion of the main extension is sufficiently completed so as to be of service, district may, upon giving written notice to the applicant, use said portion so completed for any district purpose. Said use by district prior to a formal offer of dedication by applicant shall not constitute an acceptance by the district of said extension or of any portion thereof. (Amended during 1999 codification: Rule No. 8 (part))

5.24.070 Dedication of facilities.

A. The applicant shall provide the district, without cost to the district, all necessary reservoir sites, easements and rights-of-way for said reservoirs, pumping plants and/or hydro-pneumatic units, including rights-of-way for necessary roads, power and communication.

B. In the event that necessary sites, right-of-way or easements are on property other than that owned by the applicant, and the applicant is unable to acquire said sites, rights-of-way or easements by negotiation, the district may use its power of eminent domain to acquire said sites, rights-of-way or easements after the applicant has first deposited with the district the total estimated cost of said acquisition. Any difference between the amount deposited and the actual total cost of acquisition shall be refunded to the applicant or the applicant shall make an additional payment to the district, as the case may be.

C. No permanent water service will be permitted until the main extension is dedicated and accepted by the district. (Amended during 1999 codification: Rule No. 8 (part))

5.24.080 Construction of facilities.

A. No water mains shall be laid in streets or roads not formally dedicated to public use.

B. All water system improvements including extensions of water mains, reservoirs, pumping plants, hydro-pneumatic units, fire hydrant, and stub water service connections, shall be engineered and constructed in accordance with the plans and specifications of the district.

C. The district will determine the size of the installation required. (Amended during 1999 codification: Rule No. 8 (part))

5.24.090 Benefited property charge.

A. The costs so prorated as to parcels of real property not owned by the applicant or any of them if there are more than one, as of the date of the acceptance of the extension shall be known as the "benefited property charge."

B. Prior to the service of water to any parcel of real property for which parcel there has been allocated a benefited property charge, the application for water service to said parcel shall pay to the district said charge which payment shall be in addition to any other required by these rules and regulations on account of water service connections. (Amended during 1999 codification: Rule No. 8 (part))

5.24.100 Computation and payment of charge.

A. Computation of Charge. The district will determine the benefited property charge based on the actual cost of the line necessary to serve the property in the area in

which it is located. In the event the main installed is larger than the main required to service the immediate benefited area, only that proportionate amount of the total cost that is attributable to a size main required to service said area will be used to determine the benefited property charge.

B. Payment of Charge. The charge as computed by the district will be due at the time application is made for service from a line which the district determines benefits the property for which service is sought.

C. Benefited property charges shall not be applied more than once to any parcel or part thereof.

D. If a parcel of land is already receiving service from an existing line, the benefited property charges on account of any new line which benefits the property shall not be due until application is made for service from said new line. (Amended during 1999 codification: Rule No. 37 (part))

5.24.110 Determination of refund.

A. Upon completion and acceptance of the extension, the actual costs of said extension exclusive of hydrants and stubs which are attributable to the applicant, as determined by the district, shall be prorated to all parcels as will be, or may in the future be, benefited by water service connections from said extension.

B. The amount of benefit to each parcel shall be determined by the district in writing and a copy thereof furnished to each applicant. Such determination of benefits shall be conclusive as to all concerned.

C. In determining the amount of benefit to each parcel on an area basis, the district shall, among other things take into consideration the water service available to, or used by, each parcel prior to the start or completion of said extension. (Amended during 1999 codification: Rule No. 8 (part))

5.24.110

5.24.120 Refund to applicants.

For a period of ten (10) years commencing with the date of acceptance by the district of the extension, the district will refund to the applicant, all money which the district may collect on account of the "benefited property charges" accruing during said ten (10) year period as said charges are hereinafter defined.

It is understood however, that except as may be otherwise provided herein, the district shall be under no obligation to take legal action to enforce collection of said "benefited property charges." (Rule No. 8 (part))

5.24.130 Time and amount limitation.

In no event shall the total amount refunded to applicant exceed the total cost of the extension attributable to the applicant and no refund shall be made after said ten (10) year period even though the district, for its own benefit, may still continue to collect all charges allocated to each party benefited. (Rule No. 8 (part))

5.24.140 Applicability.

All of the foregoing provisions of this section which are applicable to main extensions shall be equally applicable to reservoirs, pumping plants and/or hydro-pneumatic units except that in no event will the district be obligated to pay any costs on account of installing a reservoir, pumping plant and/or hydro-pneumatic unit larger than necessary to serve the property of the applicant. (Rule No. 8 (part))

APPENDIX A
SCHEDULE OF CHARGES

1. Water Rates and Meter Charges
 - a. Urban
 - a.1 Urban Conservation \leq 4 hcf
 - b. Agricultural
 - c. Recreation
 - d. Reclaimed
 - e. Meter Charges

(Note: Certain customers receive special rates based on agreements and/or the judgment in Wright vs. Goleta Water District)

2. Service Initiation Charges
3. Deposits
4. Delinquent Payment Charge
5. Bad Check Charge
6. Reconnection Charge
7. Duplicate Bill Charge
8. Meter Test Deposit
9. Temporary Meters
10. Fire Protection Service Charges
11. Backflow Prevention Device Charge
12. New Water Supply Charge
13. Benefited Property Charges
14. Application Fees
15. Plan Check Fees
16. Inspection Fees

Appendix A

SCHEDULE OF CHARGES

1. WATER RATES AND METER CHARGES

See Section 1.04.020 Water Service

Classifications

a. Urban	\$3.71
per hcf	
a.1 Urban Conservation \leq 4 hcf	\$3.55 per hcf
b. Agricultural	\$1.00 per hcf
c. Recreation	\$2.68 per hcf
d. Reclaimed	\$2.17 per hcf
e. Meter Charges, per month	
5/8" - 3/4" (4 or less hcf)	\$9.21
5/8" - 3/4" (between 5 hcf and 8 hcf)	\$18.42
5/8" - 3/4"	\$27.63
1"	\$46.06
1 1/2"	\$92.10
2"	\$147.38
3"	\$276.33
4"	\$460.55
6"	\$921.09
8"	\$1,473.76
10"	\$3,500.72

Note: Certain customers receive special rates based on agreements and/or the judgment in Wright vs. Goleta Water District.

2. SERVICE INITIATION CHARGES.

A charge of twenty-five dollars (\$25.00) shall be assessed to each new potable or reclaimed customer. This charge shall not apply to initial water service to properties that were required to pay New Water Supply Charges.

3. DEPOSITS.

Deposits for establishment and re-establishment of credit with the district shall be an amount from the following table or an

amount equal to the highest of the previous twelve monthly billing periods, computed at current water rates, whichever amount is greater.

Meter Size

5/8 x 3/4"	\$ 28.00
3/4"	28.00
1"	28.00
1 1/2"	28.00
2"	28.00
3"	33.00
4"	44.00
6"	66.00
8"	88.00
10"	110.00

4. DELINQUENT PAYMENT CHARGE

The greater of \$5 or 1.5% of the unpaid amount due for each month or part thereof for which payment is past due. (Res. 09-25)

5. BAD CHECK CHARGE

a. Insufficient funds check was paid to district for anything other than a shut-off door tag	\$20.00
b. Insufficient funds check was paid to district for a shut-off door tag	\$24.00

6. RECONNECTION CHARGE \$48.00

Tag door	16.00
Lock, unlock turn on	32.00
Broken lock	30.00

7. DUPLICATE BILL CHARGE

\$1.10 per duplicate per billing period

8. METER TEST DEPOSIT \$55.00

9. TEMPORARY METERS

Refundable deposit	\$468.00
Installation/administration charge	110.00
Water commodity charge	

Applicable water rate plus 50%

10. FIRE PROTECTION SERVICE CHARGES

Metered Fire Service. In addition to the regular monthly charges for water service as set forth elsewhere in these rules and regulations, a consumer with a metered fire-line shall pay a base monthly charge of two dollars (\$2.00) for each fire hydrant served from said line, plus an amount for inside wet sprinkler systems served by said line in accordance with the following table of rates:

4" meter	\$2.65
6" meter	4.00
8" meter	5.35
10" meter	6.65

These minimum metered fire-line charges shall be for standby service only and shall not be credited toward the hereinafter set forth regular monthly meter charge for water service.

Unmetered Fire Service. Where unmetered service lines are connected to fire hydrants, the rate for said service shall be two dollars (\$2.00) per fire hydrant per month, payable semiannually in advance. All water used through private fire lines, except water used to actually respond to a fire, as registered by the bypass meter, shall be charged the current urban water rate.

Where the service lines are connected to inside wet sprinkler systems, the rate for said service shall be in accordance with the following table of rates, payable semi-annually in advance:

2" sprinkler system	\$ 8.00 per year
3" sprinkler system	12.00 per year
4" sprinkler system	16.00 per year
6" sprinkler system	24.00 per year
8" sprinkler system	32.00 per year
10" sprinkler system	40.00 per year

11. BACKFLOW PREVENTION DEVICE CHARGE.

A charge of two dollars and fifty cents (\$2.50) shall be assessed on the bill of each customer who has a backflow prevention device installed to protect the

potable water system. Such charge shall be assessed per backflow device per month.

12. NEW WATER SUPPLY CHARGE.

The New Water Supply Charge for new service applicants will be imposed pursuant to Chapter 5.16 of this Code at the following rates per acre-foot of estimated annual new water service demand:

<u>System</u>	<u>Eff. 2011</u>	<u>July 1 2012</u>	<u>July 1, 2013</u>
Potable Water	\$32,614	\$38,987	\$45,361
Goleta West Conduit Non-potable Water	\$30,910	\$35,580	\$40,250
Recycled Water	\$16,421	\$16,749	\$17,084

~~The district will determine the charge for one acre foot of water each year. The new water supply charge will apply to both potable and reclaimed applicants as described in Chapter 5.16. The district will determine the required minimum service size for each project based on:~~

- ~~_____ Type of use~~
- ~~_____ Area of use~~
- ~~_____ Lot size~~
- ~~_____ Zoning~~
- ~~_____ Project plans~~

~~The current new water supply charge is: _____ \$26,240.00 per acre foot/year~~

~~The fees assessed to new service applicants will be based on type of project and required service size. Listed below are the categories of new service:~~

A. Single Family Residential

<u>Gross Lot Size</u>	<u>Minimum Size of Service Connection</u>	<u>New Water Supply Charge</u>
Up to 1/4 acre	3/4 inch	\$ 7,610.00

More than 1/4 acre to 2 acres _____ 1 inch _____ \$13,858.00

More than 2 acres to 10 acres _____ 1 1/2 inch _____ \$16,957.00

Over 10 acres — 2 inch — \$19,497.00

a. Residential shall not include any residential application classified as "multiple family."

b. Exclude area that is dedicated to public roadway that will be permanently paved as shown on a recorded tract or parcel map.

c. Density calculation. Some single family residential developments may have a total density to classify the project as multiple family category for the purpose of determining the new water supply charge. The following formula can be used for determining the category.

$$D = \frac{N}{G - P - S}$$

Where:

N = Total Number of Dwelling Units

G = Gross Area of Project Site (Acres)

P = Total Area of Public Rights-of-Way within Project Site, (Acres)

S = Total area of private streets within project site (acres)

If D < 8 dwelling units per acre then all dwelling units are considered single-family residences.

If D > 8 dwelling units per acre then all dwelling units are considered multiple-family residences.

B. Multiple Family Residential

Type	New Water Supply Charge Per Unit
Granny Residential Unit conforming to County of Santa Barbara's Residential Second Unit Program	\$5,165.00/unit

Duplex Single detached building designed for and occupied exclusively by two (2) families alone, and having but two (2)	\$5,275.00/unit
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kitchens (duplex)

Multiple Single detached Dwelling building designed for and occupied exclusively by three or more families living independently of each other as separate housekeeping units.

Additional service connections for community purposes are exempt from a new water supply charge. Examples of multiple-family community purposes are:

- Central laundry rooms
- Community rooms
- Community pools
- Common area landscaping provided:

$$\text{Irrigated area (Acres)} \leq \frac{\text{Number of Units}}{24}$$

C. Landscape and Recreation Irrigation.

The new water supply charge for landscape and recreation irrigation will be based on the required service size up to two inches.

Service Connection	New Water Service Charge
3/4 inch	\$ 18,082.00
1 inch	21,467.00
1 1/2 inch	37,762.00
2 inch	149,343.00

D. Agricultural Irrigation.

The new water supply charge for agricultural irrigation uses will be based on required service size up to two inches.

Service Connection	New Water Service Charge
1 inch	\$ 50,352.00
1 1/2 inch	133,651.00
2 inch	338,727.00

~~E. Commercial and Other Nonresidential Uses.~~

~~The new water service charge for commercial and other nonresidential uses will be based on required service size up to two inches.~~

Service Connection	New Water Service Charge
3/4 inch	\$ 8,295.00
1 inch	12,648.00
1 1/2 inch	44,451.00
2 inch	99,639.00

~~F. Expanded Service to Existing Structures or Uses.~~

~~Any expanded service to a property with an existing district service connection shall be subject to the new water supply charge as described herein.~~

Residential	New Water Supply Charge
1st additional bedroom	None
Subsequent additional bedrooms	\$1,703.00/bedroom

~~Commercial and Other Nonresidential.~~

~~Additional office space will be determined by the following formula:~~

$$\text{New Water Supply Charge} = A \times 0.044 \text{ AFY} \times \$26,240.00.$$

~~Where:~~

~~A is the area of new office space in square feet divided by 1,000.~~

~~Where the existing structure is being removed or radically modified and additional or enlarged service is required, then the customer is responsible for the new water supply charge for the new service and is credited for the existing service size.~~

~~Example: commercial customer with a three-fourths inch service, who will enlarge the office space and will require a one-inch service. The customer's new water supply charge would be:~~

$$\text{---} \$12,648 \text{ ---} \$8,295 = \$4,353$$

~~Agricultural, Landscape, and Recreation.~~

~~Where an existing customer is proposing to significantly enlarge the area of agricultural, landscape or recreation irrigation, customer is responsible for the new water supply charge for the new service and is credited for the existing service size. Example: an agricultural customer with a one-inch service, who will enlarge the area of irrigation and will require a two-inch service. The customer's new water supply charge would be:~~

$$\text{---} \$338,727.00 \text{ ---} \$50,352.00 = 288,375.00$$

~~G. Atypical New Water Service Requests.~~

~~Where the district determines that a new or expanded water service request is not for typical office space, landscaping, agriculture, recreation, or commercial use, an estimated annual new water service demand shall be calculated by the district for determining the new water supply charge. The new water supply charge shall be the estimated annual demand for the new water service, times the unit cost for the new water supply charge. This method is not intended to apply to new residential development.~~

13. BENEFITED PROPERTY CHARGES

Benefited property charges are collected per Chapter 5.24 and are collected at the time a can and will serve letter is issued.

14. APPLICATION FEES

The fee for an application for 1 meter, not involving a lot split or main extension, shall be two hundred fifty dollars (\$250.00).

The fee for an application for two to three meters or fire hydrant or fire line or main extension, not involving a lot split, shall be seven hundred fifty dollars (\$750.00).

The fee for an application for 4 or more meters or a lot split shall be one thousand five hundred dollars (\$1,500.00).

The fee for a preliminary application for staff to review a conceptual application, an extension, lot split or subdivision shall be five hundred dollars (\$500.00). The fee shall be credited toward an application, if application for the same project is made within six months of the preliminary application.

costs. Signed plans will not be released until all plan check fees are paid. Any unused deposit will be refunded or credited to the applicant.

16. INSPECTION FEES

Inspection is done on a time and material basis. Applicants are required to pay a deposit toward estimated inspection costs. Final approval of construction will not be given until all inspection fees are paid. Any unused deposit money will be refunded or credited to the applicant.

15. PLAN CHECK FEES

Plan checking is done on a time and material basis. Applicants are required to pay a deposit toward estimated plan check