

**RESOLUTION NO. 2023-70****RESOLUTION OF THE RURAL NORTH VACAVILLE WATER DISTRICT  
BOARD OF DIRECTORS APPROVING AN INCREASE  
IN THE DISTRICT'S RATES FOR WATER SERVICE**

**WHEREAS** the District's projected operating expenses for FY 2023-2024 is \$1,172,860; and

**Whereas** the District's projected revenues for FY 2023-2024 is \$905,489 which is \$267,371 short of projected expenses for that same fiscal year period; and

**Whereas** the primary reason for this shortfall in the projected operating expenses in excess of revenue is the District's increased expenses for system operations, repairs, maintenance, and capital improvements; and

**Whereas** the current District Reserve Policy established a \$1,500,000 total reserve amount. The current total reserve amount is \$100,000 leaving a shortfall of \$1,400,000; and

**Whereas** the District must generate revenues in an amount sufficient to cover the District's ongoing costs of operations, maintenance, repairs, capital improvements, and funding reserves; and

**Whereas** on July 13, 2023, the Board approved a rate schedule that appeared to be sufficient to cover the District's projected expenses for FY 2023-2024 through change to 2025/2026; and

**Whereas** any increase in fees and charges for property-related must comply with the procedural and substantive requirements of Proposition 218; and

**Whereas** the Board directed the General Manager to propose a schedule of rates and to provide notice of the proposed rate increase and the date, time, and location of a public hearing on the proposal, all in compliance with the substantive and procedural requirements of Proposition 218 and other relevant laws; and

**Whereas**, on July 13, 2023, the General Manager proposed a schedule of rates and provided notice of a public hearing on August 31<sup>st</sup>, 2023

**Whereas**, the District has noticed and conducted a public informational workshop on the rate increase proposal on August 1, 2023; and

**Whereas** the Board conducted a noticed public hearing on August 31<sup>st</sup> 2023 to consider the proposed rate increase; and

**Whereas**, the following Rate Schedule, Table 1, for which public notice was provided, is sufficient to meet the district’s three-year budget and meets the substantive legal requirements for water rates; and

**Whereas** the Board has calculated the protests submitted, and not withdrawn, to the proposed Rate Schedule and finds that a majority protest does not exist; and

**Whereas**, due to the District’s current deficit and lack of sufficient financial reserves, it is necessary for the public health and safety that the rate increase according to the proposed Rate Schedule be effective immediately and charged to the District’s rate payers on water bills for the month of September services each fiscal year, commencing September 1, 2023 for fiscal year FY (23/24); September 1, 2024 (FY 24/25); and September 1, 2025 (FY 25/26).

**RESOLVED**, that the Board of Directors of the Rural North Vacaville Water District approves and adopts the Rate Schedule, described in Table 1.

Passed and adopted by the Board of Directors of the Rural North Vacaville Water District on August 31, 2023, by the following vote:

AYES: Directors Patrick Sweeney, Elizabeth Miles

Bob Whitehouse

NOES: Directors \_\_\_\_\_

EXCUSED: Directors Steve Strickland

Absent Ken Swenson

DocuSigned by:  
*Patrick J. Sweeney*  
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Patrick Sweeney, President  
Board of Directors  
Rural North Vacaville Water District

9/1/2023

ATTEST:

DocuSigned by:  
*Dale Motiska*  
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Dale Motiska, General Manager  
Rural North Vacaville Water District

RURAL NORTH VACAVILLE WATER DISTRICT

WATER RATE SCHEDULE

3 Year Plan

<u>Rate Description</u>	<u>Current</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Base Fee	\$ 72.90	\$ 74.00	\$ 79.18	\$ 84.72
CRC, Capital Recovery Charge	\$ 45.00	\$ 78.00	\$ 83.46	\$ 89.30
Tier 1, 2 & 3 Usage	\$ 2.08	\$ 3.00	\$ 3.21	\$ 3.43
Supplemental Fee	\$ 45.00	\$ 78.00	\$ 83.46	\$ 89.30

*Year 1 increase needed to balance the budget*

The Year 1 rate will increase the fixed monthly Base Rate by \$1.10

The Year 1 rate will increase fixed monthly CRC by \$33.00

Usage Rate will increase 92 cents per each CCF or per 748 gallons

A customer using 10ccf per month, the monthly usage increase will be \$9.20

Proposed 7% Increase for year 2 and year 3  
7% is to cover cost of inflation and remaining amount is to build reserves