

1                                   BEFORE THE BOARD OF SUPERVISORS  
2                                   OF THE COUNTY OF FRESNO  
3                                   STATE OF CALIFORNIA

4                                   RESOLUTION ESTABLISHING INCREASED WATER SERVICE FEES  
5                                   FOR COUNTY SERVICE AREA NO. 39AB

6                   WHEREAS, in accordance with California Constitution, article XIII D, section 6, also known  
7 as Proposition 218 (Right to Vote on Taxes Act of 1996), County staff initiated the process to  
8 increase water service fees for the 140 residential lots and one school located within County  
9 Service Area No. 39, zones A and B (“CSA 39AB”); and

10                   WHEREAS, the CSA 39AB water system funded by water service fees includes individual  
11 water meters at each connection, a pipeline distribution system, and two master meters; and

12                   WHEREAS, the water served in CSA 39AB is purchased from the City of Fresno and paid  
13 for by CSA 39AB water service fees; and

14                   WHEREAS, current water service fees in CSA 39AB do not distinguish between the costs  
15 of providing service through the water system and the costs of purchasing water from the City of  
16 Fresno; and

17                   WHEREAS, the proposed increased water service fees are restructured into a monthly  
18 water service fee with two components: a base fee for the cost to operate and maintain the CSA  
19 39AB water system, and a commodity fee for the water itself, to be charged based on actual  
20 monthly water usage; and

21                   WHEREAS, CSA 39AB includes 140 single family residential dwellings and the West Park  
22 Elementary School; and

23                   WHEREAS, under Board of Supervisors policy adopted November 7, 2006, each County  
24 Service Area, including CSA 39AB, is required to have a cash reserve of a minimum of 50% of  
25 the average of the last three fiscal years’ annual operation costs (“Board Reserve Policy”); and

26                   WHEREAS, as part of the process to increase water service fees, a notice of the proposed  
27 increased fees with instructions for submitting a written protest was sent by First Class mail on  
28 April 9, 2021, to each record owner of property in CSA 39AB as shown on the last equalized  
assessment roll, upon which water service fees are currently imposed and increased fees are

1 proposed, in accordance with the provisions of California Constitution, article XIII D, section 6;  
2 and

3 WHEREAS, the notice mailed on April 9, 2021 stated: (a) the amount of the proposed  
4 water service fee increase and explained how the water service fee increase would be applied to  
5 each user, by illustration according to different levels of water usage, including low, average, and  
6 high water usage; (b) how the proposed water service fee increase was calculated; (c) the reason  
7 for the proposed water service fee increase; (d) the date, time, and location of the public hearing  
8 on the proposed water service fee increase; and (e) instructions for how to file written protests  
9 against the proposed water service fee increase;

10 WHEREAS, on May 6, 2021, at 3:00 p.m., County staff conducted an outdoor public  
11 meeting at the West Park Elementary School parking lot located at 2695 S. Valentine Ave Fresno  
12 CA 93706, to provide members of the public with an opportunity to give relevant testimony and  
13 ask questions about the proposed water service fee increase; and

14 WHEREAS, a protest hearing was held on May 25, 2021, before the Board of Supervisors,  
15 at which time opportunity was provided for public comment, oral protests, and submission of  
16 written protests by owners of property in CSA 39AB, upon which water service fees are currently  
17 imposed and increased water service fees are proposed; and

18 WHEREAS, the Clerk of the Board of Supervisors or her designee tabulated the written  
19 protests at the end of the hearing and determined that a majority of owners of property subject to  
20 water service fees in CSA 39AB did not submit written protests to the proposed increased water  
21 service fees for CSA 39AB.

22 THE BOARD OF SUPERVISORS OF THE COUNTY OF FRESNO THEREFORE  
23 RESOLVES FOLLOWS:

24 **Section 1.** There is no majority protest to the proposed water fees for CSA 39AB.

25 **Section 2.** The monthly water service fees for CSA 39AB, including a base fee and a  
26 commodity fee, as of **July 1, 2021**, shall be as follows:

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<b>Monthly Water Service Fees:</b>	
<b>Base Fee:</b>	<b>\$35.75</b>
<b>Commodity Fee:</b>	<b>\$2.81</b>

**Section 3.** On July 1, 2022, and on the first of July of every year thereafter until the last adjustment to occur on July 1, 2025, the base fee shall be increased by the following method. First, annual operation and maintenance costs shall be analyzed at the end of each fiscal year to determine whether projected revenues are sufficient to cover projected expenditures for the next fiscal year, and whether CSA 39AB is projected to build cash reserves at the pace necessary to have a reserve of \$25,000 by June 30, 2026. Second, an increase to the base fee by the change in the San Francisco-Oakland-Hayward Consumer Price Index – All Items (“SFCPI”) from the year before shall be calculated. If an increase by the change in SFCPI would be less than an increase of 5% over the year before and is projected to produce revenues sufficient to cover expenditures and build cash reserves at the targeted pace, then the base fee shall only be increased by the change in SFCPI over the year before. But if an increase by the change in SFCPI would be less than an increase of 5% over the year before and is **not** projected to produce revenues sufficient to cover expenditures and build cash reserves at the targeted pace, then the base fee shall be increased as needed to build cash reserves at the targeted pace, up to a maximum of 5% over the year before. The base fee increase may only be imposed as necessary to cover costs related to the operation and maintenance of the CSA 39AB water system. The maximum base fee may not be increased more than the cost to provide services, including the cost to build a cash reserve in accordance with the Board Reserve Policy. In any case, the maximum base fee may not exceed the following amounts: as of the July 1, 2022 increase, it may not exceed \$37.54; as of the July 1, 2023 increase, it may not exceed \$39.41; as of the July 1, 2024 increase, it may not exceed \$41.38; as of the July 1, 2025 increase, it may not exceed \$43.45.

**Section 4.** As provided in Government Code section 53756, subdivision (c), the commodity fee shall be automatically adjusted to pass through any price increases or decreases for water that are imposed by the City of Fresno, upon 30 days’ advance written notice to CSA 39AB property owners and fee payers.

1           **Section 5.** The CSA 39AB water service fees established by this resolution shall be  
2 published at the appropriate times in the Master Schedule of Fees, Charges and Recovered Costs  
3 for administrative purposes only.

4           **Section 6.** The Director of the Department of Public Works and Planning or his or her  
5 designee is authorized and directed (a) to carry out the base fee increases as described in Section  
6 3 of this resolution, (b) to make the commodity fee adjustments as described in Section 4 of this  
7 resolution, (c) to give the 30 days' advance written notice to CSA 39AB property owners and fee  
8 payers as required in Section 4 of this resolution, and (d) to give timely notice of all such changes  
9 to the Auditor-Controller/Treasurer-Tax Collector for purposes of the publication requirement in  
10 Section 5 of this resolution.

11           **Section 7.** As required by article XIII D, section 6, subdivision (b)(2), of the California  
12 Constitution, revenues from the CSA 39AB water service fees established by this resolution shall  
13 not be used for any purpose other than the provision of water service to properties that receive  
14 water service through CSA 39AB, including all maintenance, operation, and administrative costs  
15 for water service.

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THE FOREGOING was passed and adopted by the following vote of the Board of Supervisors of the County of Fresno this 25th day of May, 2021, to-wit:

- AYES: Supervisors Brandau, Magsig, Mendes, Pacheco, Quintero
- NOES: None
- ABSENT: None
- ABSTAINED: None

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Steve Brandau, Chairman of the Board of Supervisors of the County of Fresno

**ATTEST:**  
Bernice E. Seidel  
Clerk of the Board of Supervisors  
County of Fresno, State of California

BY: Luzai Cruz  
Deputy