

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF FRESNO
STATE OF CALIFORNIA

IN THE MATTER OF ADOPTING INCREASED)
WATER AND SEWER SERVICE FEES FOR)
FRESNO COUNTY WATERWORKS) RESOLUTION
DISTRICT NO. 40 – SHAVER SPRINGS)

WHEREAS, the Board of Supervisors of the County of Fresno (the “Board”) is the governing board of the Fresno County Waterworks District No. 40 (“WWD 40”); and

WHEREAS, in accordance with California Constitution Article XIIID, Section 6, which is part of Proposition 218 (Right to Vote on Taxes Act of 1996), and Government Code section 53755 of The Proposition 218 Omnibus Implementation Act, the Department of Public Works and Planning (the “Department”), through the Director of Public Works and his or her designees (collectively, the “Director”), initiated the process to seek increased water and sewer service rates and fees for WWD 40, which consists of a total of 96 parcels, and provides water service to 70 residential connections and sewer service to 69 residential connections;

WHEREAS, the WWD 40 community water and sewer systems, which are funded substantially by water and sewer service rates and fees paid by WWD 40 water and sewer users, includes individual water meters at each connection, a pipeline distribution system, and water storage tanks and a community sewer system; and

WHEREAS, WWD 40’s customer base is solely made up of single family residences, each with the same fixed cost of service; and

WHEREAS, the increased water and sewer service rates and fees set forth in this resolution are restructured from current monthly water and sewer service rates and fees, into increased monthly water and sewer service rates and fees, all of which are at rates that will be necessary to recover only the actual cost of the water and sewer service per parcel under these increased water and sewer service rates and fees.

▪ *Fixed charges:*

- *Meters and Services:* These include costs related to maintaining infrastructure and operating capacity to provide service at any time, but not for water delivery,

capital expenditures, repayment to the County of charges that have been unpaid and are expected to continue to accrue, as described below, and reserves, as described below.

- *Customer Service:* This category contains costs associated with serving customers, such as billing and answering customer inquiries.

- *Water usage rate:*

- The water usage fee includes the expenses related to providing water and is to be charged to each 1,000 gallons of actual water usage.

WHEREAS, the rates, above, are designed to better align with the actual costs to provide water and sewer service and do not exceed the proportional cost of the service attributable to the parcel in WWD 40; and

WHEREAS, the “fixed charges” component of such increased water and sewer service rates and fees also includes repayment to the County for (1) WWD 40’s negative cash balance of water and sewer service fees that have been unpaid by WWD 40 customers, which have been held by the County, in the current total amount of \$141,243; (2) WWD 40’s anticipated additional negative cash balance of water and sewer service fees that will continue to accrue, despite such increased water and sewer service rates and fees, that will be held by the County, in the anticipated additional total amount of \$110,700 through June 30, 2025; and (3) interest on all such unpaid amounts, calculated at the County’s estimated annual internal interest rate; for financial planning purposes, the County’s annual internal interest rate is estimated as 2.8% annually; and

WHEREAS, under the Board policy for special district governed by the Board, including WWD 40, adopted on November 7, 2006, for which a report thereon was provided to the Board on November 10, 2009, each special district governed by the Board, including WWD 40, providing water and sewer services, is required to have a minimum cash reserve of 50% of the average of the last three fiscal years’ annual operation costs (“Board Reserve Policy”); and

WHEREAS, in applying the Board Reserve Policy to WWD 40, the target minimum cash reserve is approximately \$113,700; and

1 **WHEREAS**, the “fixed charges” component of such increased water and sewer service
2 fees also includes amounts that would allow WWD 40 to build a minimum cash reserve in the
3 amount of \$113,700 by the end of FY 2029/30, which is intended to cover unanticipated expenses,
4 as required by the Board Reserve Policy; and

5 **WHEREAS**, as part of the process to seek and increase water and sewer service rates
6 and fees for WWD 40, a written notice of the proposed increased water and sewer service rates
7 and fees (“Notice”), was duly and timely sent by WWD 40, by First Class United States mail, on
8 **April 22, 2025**, to all the record owners of each identified parcel (property owners), as shown on
9 the last equalized assessment roll, upon which the increased water and sewer service rates and
10 fees are proposed for imposition, and to each tenant listed on the WWD 40’s billing register, in
11 accordance with the provisions of California Constitution Article XIID, Section 6; and

12 **WHEREAS**, the Notice, which was so mailed on **April 22, 2025**, stated: (a) the amounts
13 of the proposed increases in water and sewer service rates and fees to be imposed upon each
14 such parcel for which water and/or sewer service is being provided, and explained how those
15 amounts would be applied to each such parcel; (b) the basis upon which the amounts of the
16 proposed increases in water and sewer service rates and fees were calculated with reference to
17 the water and sewer rate study referenced herein; (c) the reasons for the proposed increases in
18 water and sewer service rates and fees; (d) the dates, times, and locations of the public meeting
19 referenced therein with respect to the proposed increases in water and sewer service rates and
20 fees; (e) the date and time and location of the public protest hearing before the Board with respect
21 to the proposed increases in water and sewer service rates and fees; and (f) instructions for how
22 property owners (including their tenants) currently (as of the Board’s public protest hearing)
23 receiving water and/or sewer service from the WWD 40 community water and sewer systems may
24 submit timely, valid, written protests against the proposed increases in water and sewer service
25 rates and fees; and

26 **WHEREAS**, as stated in the Notice, which was so mailed on **April 22, 2025**, the proposed
27 increases in water and sewer service rates and fees are set forth in the tables therein, and the
28 Notice referred all interested persons to the completed and available Fresno County Waterworks

District 40 Water and Sewer Rate Study, dated April 14, 2025, prepared by Lechowicz and Tseng, Municipal Consultants, Alameda, California (the "Fee Study"), which Fee Study includes, among other things, a detailed explanation of the basis upon which the amounts of the proposed increases in water and sewer service rates and fees were calculated and that the Fee Study could be found online at the County web address stated therein, or otherwise in hardcopy upon request of the County; and

WHEREAS, under the Fee Study, all revenues derived from the increased water and sewer service rates and fees under this resolution do not exceed the funds required for WWD 40 to provide water and sewer service to the parcels in WWD 40; and

WHEREAS, all of the amounts calculated in the Fee Study produce increased water and sewer service rates and fees that will be necessary to recover only the actual cost of the water and sewer service per parcel under these proposed water and sewer rates, and that taking into account these proposed increased water and sewer service rates and fees, as applicable, each parcel's total water and sewer bill will not exceed the proportional cost of service for each parcel; and

WHEREAS, the increased water and sewer service rates and fees are set forth in Table 1 of **Attachment A**, to this resolution (as referenced in Section 3), which increased water and sewer service rates and fees will be imposed in WWD 40 upon each such parcel for which water and sewer service is being provided, beginning July 1, 2025; and

WHEREAS, on **May 13, 2025, at 5:30 PM**, the Department of Public Works and Planning, as staff to WWD 40, conducted a public meeting at Pine Ridge Elementary School to provide members of the public, including property owners (including any tenant of their property), an opportunity to provide relevant testimony to WWD 40 staff and to ask questions and provide comments about the proposed increases in water and sewer service rates and fees they would find in the Notice mailed on **April 22, 2025**; and

WHEREAS, at such public meeting, WWD 40 staff made their presentations, received testimony, questions, and comments, from such members of the public, and responded to their questions and comments; and

1 **WHEREAS**, a public protest hearing was held on **June 24, 2025, at 9:30 AM** (or as soon
2 as practicable thereafter as the Board determined), before the Board, at which time a full and fair
3 opportunity was provided for public comment, objections, and submission to the Board of written
4 protests against the proposed increased water and sewer service rates and fees by owners of
5 property (also referred to above as the record owners of each identified parcel, upon which the
6 increased water and sewer service rates and fees are proposed for imposition, including such
7 record owners' tenants) currently (as of the Board's public protest hearing) receiving water and
8 sewer service from the WWD 40 community water and sewer systems; and

9 **WHEREAS**, following the closure of the public protest hearing, as directed by the Board,
10 the Clerk of the Board of Supervisors or her designees tabulated the written protests submitted
11 against the proposed increased water and sewer service fees, and the Board found that a majority
12 of owners of property (also referred to above as the record owners of each identified parcel, upon
13 which the increased water and sewer service rates and fees is proposed for imposition) (including
14 their tenants) currently (as of the Board's public protest hearing) receiving water and sewer
15 service from the WWD 40 community water and sewer systems did **not** submit written protests
16 against the proposed increased water and sewer service rates and fees for WWD 40 as set forth
17 in the Notice; and

18 **WHEREAS**, such tabulation, and the Board's consideration of the timeliness and validity
19 of all written protests submitted, and all objections, if any, and such submitted written protests
20 were duly and regularly conducted.

21 THE BOARD OF SUPERVISORS OF THE COUNTY OF FRESNO, AS THE
22 GOVERNING BOARD OF WWD 40, THEREFORE RESOLVES AS FOLLOWS:

23 **Section 1.** All of the foregoing recitals are true and correct.

24 **Section 2.** Any objections made to the Board, including but not limited to the regularity of
25 the proceedings that are the subject of this resolution, are hereby overruled by the Board. The
26 Board hereby finds that there is **no majority protest** against the proposed increased water and
27 sewer service rates and fees for WWD 40 as set forth in the Notice, which was so mailed on **April**
28 **22, 2025.**

Section 3. The increased monthly water and sewer service rates and fees for WWD 40, described more fully above as:

- *Fixed charges*
- *Water usage rate*

are hereby adopted, approved, and authorized by the Board, and shall be imposed and increased to their full amounts, beginning **July 1, 2025**, as stated in Table 1 of **Attachment A**, which is attached hereto and incorporated herein by this reference.

Section 5. The WWD 40 water and sewer service rates and fees increased by this resolution shall be published by or for the Director at the appropriate times in the County's Master Schedule of Fees, Charges, and Recovered Costs for administrative purposes only.

Section 6. The Director is hereby authorized and directed: (a) to carry out all of the increased water and sewer service rates and fees as set forth in this resolution and the Notice, which was mailed on **April 22, 2025**; and (b) to promptly give notice of all such costs changes to the Auditor-Controller/Treasurer-Tax Collector for purposes of the publication requirement in Section 5 of this resolution, and to each member of the Board and the County Administrative Officer ("CAO"), which notices to the members of the Board and the CAO may be by way of a board briefing report, memorandum, or other informal communication.

Section 7. As required by Article XIID, section 6, subdivision (b)(2), of the California Constitution, revenues from the increased water and sewer service rates and fees in this resolution shall not be used for any purpose other than that for which the increased water and sewer service rates and fees are imposed, as described and referenced in this resolution.

Section 8. This resolution shall be effective immediately upon its adoption.

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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 ____ day of _____, 2025, to-wit:

AYES:

NOES:

ABSENT:

ABSTAINED:

Ernest Buddy Mendes, 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 _____
Deputy

FOR ACCOUNTING USE ONLY

Org: 9360
Fund: 0900
Subclass: 16000
Account: 7010, 7070, 7101, 7205, 7220, 7250, 7268, 7287, 7295, 7296, 7430

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Attachment A

Fresno County Waterworks District 40

Table 1: Monthly Water and Sewer Rates Per Parcel

Description	Proposed July 1, 2025
<u>Water Base Fee</u>	\$85.54
<u>Usage Rates</u>	<u>Charge per 1,000 gal</u>
All Usage	\$23.67
 <u>Sewer Service</u>	 \$110.99