

RESOLUTION NO.16-302

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MISSION HILLS COMMUNITY SERVICES DISTRICT APPROVING THE NOTICE OF PUBLIC HEARING FOR RATE HEARINGS CONDUCTED PURSUANT TO ARTICLE XIIID, SECTION 6 OF THE CALIFORNIA CONSTITUTION

WHEREAS, the Mission Hills Community Services District (the "District") is a community services district duly formed under California Government Code Section 61000 et. seq. to provide community services within the District's service area, including water, sewer and street sweeping services; and

WHEREAS, the District owns, operates and maintains a water system and sanitary sewer system including treatment facilities, percolation ponds, water and sewer mains, and other appurtenances, facilities and necessary improvements; and

WHEREAS, the District is considering increasing water, sewer and street sweeping rates in order to continue to provide safe and reliable water, sewer and street sweeping services;

WHEREAS, Article XIIID, Section 6 of the California Constitution requires the District to provide written notice of proposed fees and charges to all property owners and customers of the District; and

WHEREAS, the District has prepared a Notice of Public Hearing regarding the proposed rate increase for water, sewer and street sweeping services attached hereto as Exhibit "A" and incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Mission Hills Community Services District to approve the Notice of Public Hearing regarding the proposed rate hearings conducted pursuant to Article XIID, Section 6 of the California Constitution attached hereto as Exhibit "A" for mailing to all property owners and customers of the District.

On motion of Director Fasold, seconded by Director MacKenzie, and on the following roll call vote, to-wit:

AYES: Fasold, Hayes, Mac Kenzie, Naughton, Nix
NOES: None
ABSENT: None

The foregoing Resolution is hereby passed, approved and adopted this 10th day of March, 2016.

ATTEST:

Danny Hayes
Board President

Casey Fowler, Secretary to the Board

APPROVED AS TO FORM:

Ziyad I. Naccasha, District Counsel

Attachment:

Exhibit A- Notice of Public Hearing

Mission Hills Community Services District

NOTICE OF PUBLIC HEARING

PROPOSED RATE RESTRUCTURE AND INCREASE FOR WATER, SEWER AND STREET SWEEPING SERVICES

A public hearing on proposed water, sewer and street sweeping rate restructure and increases will be held by the Board of Directors of the Mission Hills Community Services District ("District") on:

Date: May 12, 2016
Time: 6:30 p.m.
Location: Los Berros Elementary School – Cafeteria
3745 Via Lato
Lompoc, CA 93436

This Notice of Public Hearing provides information regarding a proposed rate restructure in water, sewer and street sweeping rates for the District's water, sewer and street sweeping customers pursuant to the requirements of the California Constitution, Article XIII (commonly referred to as Proposition 218). At the Public Hearing, the District will consider all public comment in support and in opposition of the proposed rate restructure and increases and whether or not a majority protest exists pursuant to Proposition 218.

Reason for the Proposed Rate Restructure and Increases:

The rate increases are necessary for the District to continue to provide safe and reliable water, sewer and street sweeping services to the residents of the Mission Hills Community Services District. This proposed rate restructuring addresses deficiencies in the current rate structure. It emphasizes that the majority of the District's costs are fixed and eliminates the need for winter averaging. It also addresses the District's deficit spending caused in part by increased operational, maintenance and capital costs and the loss of income due to drought restrictions and ambitious conservation efforts. Given that the proposed restructuring will generate revenue to cover current expenditures, it will be the District's focus to reduce future expenditures and provide the most cost effective services possible.

Availability of Rate Study and Additional Information:

Copies of the Rate Study and additional information on the proposed rate increases are available at the District office located at 1550 East Burton Mesa Blvd., Lompoc, CA 93436. In addition, customers may contact the District's General Manager at 805-733-4366 x 201 for further information about the proposed rates.

Proposed Rate Restructure and Increase Amounts and Basis of Calculation:

The following charts provide a summary of the proposed rate increases to be reviewed at the public hearing referenced above.

Customer Class	Water Basic Billing units (cost is per unit per month)							
	0-10 units		11-20 Units		21-30 Units		30 plus Units	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Residential	\$1.73	\$2.12	\$2.43	\$2.12	\$2.78	\$2.12	\$3.29	\$2.12
Non- Residential	\$1.37	\$2.12	\$1.92	\$2.12	\$2.19	\$2.12	\$2.60	\$2.12

Sewer Use Charge	<u>CURRENT</u>	<u>PROPOSED</u>
per unit of water based on 3 month average water usage: (Dec thru Feb)		No winter averaging
Residential	\$3.23 per unit	\$0.00 per unit
Non- Residential	\$3.51 per unit	\$0.00 per unit

Water Basic Meter Charge		
Meter Size	Current	Proposed
3/4"	\$28.59	\$37.56
1"	\$31.82	\$41.91
1.5"	\$36.14	\$47.71
2"	\$47.99	\$63.65
3"	\$135.29	\$181.07
4"	\$167.61	\$224.56

Street Sweeping Service Charge		
	Current	Proposed
All Customers	\$1.32	\$1.32

Sewer Basic Monthly Charge		
	Current	Proposed
Sewer Basic	\$7.23	\$47.80

Majority Protest:

Proposition 218 mandates that customers directly responsible for the payment of the fees subject to the proposed rate changes or the property owner of the service address may submit a written protest against the proposed rates. If written protests are received from a majority of the affected customers or the property owners, the proposed rates will not be imposed.

In order to submit a valid protest, the protest must be in writing and must contain a statement that you protest the increase in rates. The protest must contain the service address and be signed by either the account holder or the property owner of the service address. The written protest must be received by the District Secretary at or before the close of the public hearing.

Written protests may be mailed or personally delivered to the District Secretary at:

Mission Hills Community Services District
Attn: District Secretary
1550 East Burton Mesa Blvd.
Lompoc, CA 93436

Written protests will not be accepted by email or by facsimile. Verbal protests will not be counted in determining the existence of a majority protest. If valid written protests are presented by a majority of owners and/or tenants-customers, then the District will not increase the rates. Only one protest per parcel will be counted in determining whether or not a majority protest exists.