

OLIVEHURST PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2232

**RESOLUTION OF THE BOARD OF DIRECTORS OF
OLIVEHURST PUBLIC UTILITY DISTRICT
CONFIRMING POLICY REGARDING REFUNDING OF CAPACITY FEES**

WHEREAS, the Board of Directors of Olivehurst Public Utility District (“OPUD”) did, on March 19, 2004, adopt Resolution No. 2065, establishing a capacity fee for connections to the sewer collector system serving the Plumas Lake Specific Plan – South Zone; and,

WHEREAS, the Board of Directors of OPUD did, on March 16, 2006, adopt Resolution No. 2115, establishing a capacity fee for connections to the sewer collector system serving Historic Olivehurst; and,

WHEREAS, the Board of Directors of OPUD did, on May 18, 2006, adopt Resolution No. 2119, establishing a capacity fee for for connection to the sewer collection system serving Plumas Lake Specific Plan – North Zone, and North Arboga Study Plan Area; and,

WHEREAS, the Board of Directors of OPUD did, on February 18, 2010, adopt Resolution No. 2216 establishing a consolidated capacity fee for the Olivehurst Public Utility District water system; and,

WHEREAS, the Board of Directors of OPUD did, on March 6, 2010, adopt Resolution No. 2112 establishing a capacity fee for connection to the Consolidated Wastewater Treatment Facility (“WWTF”); and,

WHEREAS, the foregoing described capacity fees described were established in order to finance the cost of capacity already constructed and to finance capacity required to be constructed in the future for the benefit of customers connecting to the water, WWTF, and sewer collector systems; and,

WHEREAS, OPUD is obligated to account for its capacity fees so that they are collected and used only for their authorized purposes, including, when appropriate, refund to those developers who have installed capacity that is used by others; and,

WHEREAS, the Board of Directors of OPUD does find that capacity fees of OPUD, once collected, must be committed to capacity expansion, to funding capacity already installed; and funding reimbursement of developers in accordance with outstanding fee credit and to reimbursement agreements and, therefore, said fees once collected cannot be made subject to refund should a developer or builder later choose to delay or suspend its project and that the interests of the District and its customers are best served by providing a credit for the fees previously paid.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Olivehurst Public Utility District that the capacity fees established for the WWTF, the Consolidated Water System and the District's three collector system zones are hereby conditioned to provide that, once paid, capacity fees will not be refundable other than by allowance of a credit against fees at connections.

BE IT FURTHER RESOLVED that capacity fees shall be accounted for in accordance with the provisions of Section 60013 of the Government Code of the State of California and shall be retained by the District, expended for construction, or reimbursed to other Developers under authorized agreements; and,


BE IT FURTHER RESOLVED that this credit policy shall apply to capacity fees of OPUD established for its water, WWTF, and collector systems whether under the foregoing resolutions or their successors.

BE IT FURTHER RESOLVED that customers paying a capacity fee shall continue to own a credit equal to the amount of said fee, which credit shall remain on the books of the District, and shall not be transferable but shall run with the parcels for which it was paid, without interest, and such credit shall be applied to the capacity fees then existing at such time as the connection is made, with the balance due and payable at the time that connection is made.

BE IT FURTHER RESOLVED that credits on the books of OPUD in accordance herewith shall remain active for a period of ten (10) years, at which time they shall revert to OPUD, unless a request for extension is made by the owner and approved by OPUD.

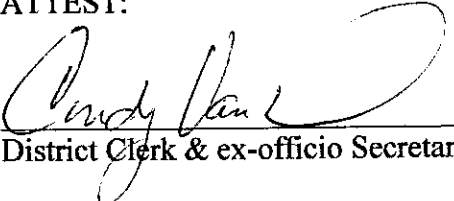
PASSED AND ADOPTED THIS 18th DAY OF NOVEMBER 2010.

OLIVEHURST PUBLIC UTILITY DISTRICT



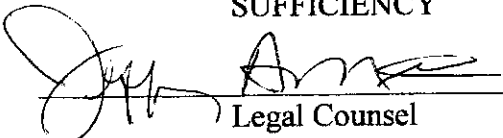
President, Board of Directors
Olivehurst Public Utility District

ATTEST:



District Clerk & ex-officio Secretary

APPROVE AS TO FORM AND LEGAL
SUFFICIENCY

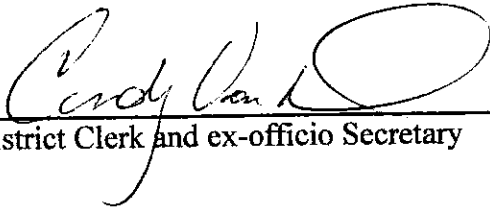


Legal Counsel

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I hereby certify that the foregoing is a full, true, and correct copy of an Ordinance duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 18th day of November 2010, by the following vote:

AYES, AND IN FAVOR THEREOF:	DIRECTOR PATTY, KING, HOLLIS, DOUGHERTY AND MORRISON.
NOES	: NONE.
ABSTAIN	: NONE.
ABSENT	: NONE.



District Clerk and ex-officio Secretary