

OLIVEHURST PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2189

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OLIVEHURST PUBLIC UTILITY DISTRICT,
FOLLOWING PUBLIC HEARING AND PROTEST PROCEDURE,
PROVIDING FOR AN INCREASE IN SEWER SERVICE CHARGES**

WHEREAS, the Olivehurst Public Utility District (“District”) owns and operates a Domestic Water System which operates under permits issued by the Department of Health Services of the State of California; and

WHEREAS, the District owns and operates a sewer collector and wastewater treatment system operating under a permit issued by the Regional Water Quality Control Board, Central Valley Region; and

WHEREAS, in connection with its annual review and approval of the operating budgets of the water and sewer systems, the Board commissioned a study by Bartle Wells and Associates related to the costs of services provided by said systems, and the charges, required over a three year period, sufficient to provide for the proper operation and maintenance thereof (hereafter “the Rate Study”); and,

WHEREAS, at a regular public meeting duly called and agendized on May 17, 2007, the Board did review and take public comment on the Rate Study and at the regular public meeting duly called and agendized on July 19, 2007, did adopt said study as representing the independent opinion of the Board of Directors and authorized the increased rates recommended therein, to be implemented over a three year period, subject to the notice and hearing requirements of California Constitution, Article XIII D, Section 6; and

WHEREAS, the Board of Directors, in accordance with Article XIII D, Section 6, of the California Constitution did, on October 25, 2007, cause notice to the landowners affected by said increases to be given by regular mail to the record owner of each identified parcel upon which the increased charges are proposed for imposition, notifying them of the proposed charges to be implemented over a three year period, the basis for calculation thereof, the reason for the increase, and the date, time, and place of a public hearing, at least 45 days thereafter, where such increase would be considered; and

WHEREAS, at a public hearing duly called and agendized, on December 20, 2007, the Board did conduct a public hearing, and considered written and oral protests

submitted in connection with said increases in rates; and

WHEREAS, following such hearing and review of the protests and oral and written testimony received, the Board found that written protests submitted and not withdrawn by the close of the public hearing did not represent a majority of the owners of the identified parcels; and

WHEREAS, the Board, in accordance with the foregoing findings did adopt Resolution No. 2167, implementing the approved rates for 2008; and,

WHEREAS, the Board wishes to implement the approved rates for the 2009, and 2010 calendar years; and,

WHEREAS, the Board finds that the increased charges described in Exhibit A, attached hereto, are required to meet the ongoing and reasonably anticipated operational expenses of the District for the calendar years 2009 and 2010, including meeting its reasonable financial reserve requirements of the District and are further needed to secure funds as reasonably necessary to operate, maintain, repair and replace the facilities installed to provide water, sewer collection, and wastewater services within the District and are therefore exempt from the requirements of the California Environmental Quality Act in accordance with Public Resources Code Section 21080(b)(8)(C) and (D); and,

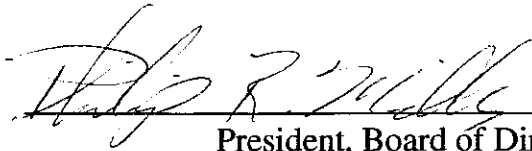
WHEREAS, the Board finds that revenues from the proposed increases shall not exceed the funds required to provide water and sewer services, including wastewater treatment to the customers receiving said services; that revenues from the proposed increases shall be used in accordance with the Rate Study and shall not be used for any other purpose other than those purposes for which they were imposed; and the amount of the proposed charges for water and sewer services shall not exceed the proportional cost of the services attributable to the parcels on which the increases will be imposed.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Olivehurst Public Utility District that the Water and Sewer Service Fees, described in Exhibit A, attached hereto and incorporated herein, are hereby approved and authorized as the fees and charges of the District, with the 2009 rates to be effective on January 1, 2009, and the 2010 rates to be effective on January 1, 2010.

BE IT FURTHER RESOLVED that the Board does find that establishment of the water and sewer service charges described in Exhibit A is exempt from the provisions of the California Environmental Quality Act under Section 21080(b) of the California Public Resource Code.

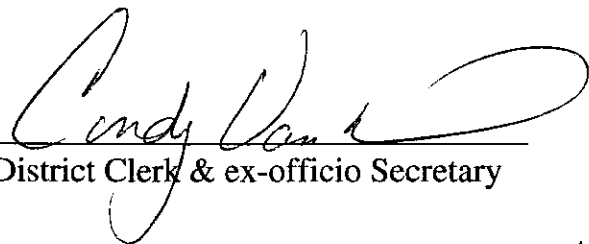
PASSED AND ADOPTED this 20th Day of November, 2008.

OLIVEHURST PUBLIC UTILITY DISTRICT



President, Board of Directors

ATTEST:



District Clerk & ex-officio Secretary

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY**

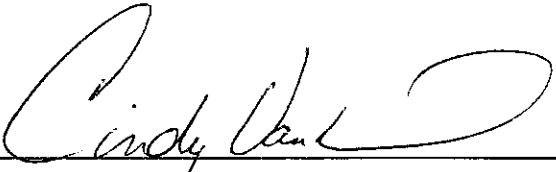


Legal Counsel

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I hereby certify that the foregoing is a full, true and correct copy of a Resolution 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 20th day of November, 2008, by the following vote:

AYES, AND IN FAVOR THEREOF:	:	Director Morrison, Carpenter, Hollis, Patty, and Miller.
NOES,	:	None.
ABSTAIN	:	None.
ABSENT	:	None.



District Clerk & ex-officio Secretary

EXHIBIT A

**OLIVEHURST PUBLIC UTILITY DISTRICT
TARIFF OF WATER AND SEWER SERVICE CHARGES**

Domestic Water Rates

Un-metered (flat rate) service. Rates for water service from the District shall be, from and after April 1, 2007, as follows:

- Three quarter inch service\$ 21.50 per month
- One inch service\$ 33.00 per month
- One and one half inch service\$ 50.00 per month
- Two inch service\$ 72.00 per month
- Three inch service\$150.00 per month
- Four inch service\$210.00 per month

Metered Service. Charges for water delivered via meter shall be as follows:

- A unit water service charge of \$.77 per CCF (1 CCF equals 100 cubic feet) consumed.

Monthly Service charge to reimburse District for fixed cost of operation and administration based on meter size, as follows:

- Three quarter inch meter\$ 15.00 per month
- Monthly service charge for fixed cost of operation includes up to 20 CCF of consumption. Consumption beyond 20 CCF per month is billed at \$0.77 per CCF consumed.
- One inch and larger meters (up to four inch). \$ 25.00 per month
- Monthly service charge for fixed cost of operation includes up to 33 CCF of

consumption. Consumption beyond 33 CCF per month is billed at \$0.77 per CCF consumed.

- When meters are out of service, or otherwise not suitable for obtaining readings, the monthly service charges will be billed on the same basis as unmetered (flat rate) service for the appropriate service line size. (For example; a three quarter inch service would be billed \$21.50/month)
- Four inch and larger shall be determined on a case-by-case basis, depending on costs and service characteristics.

Sewer Rates

Residential four-inch service: per dwelling unit or equivalent:

Effective January 1, 2008.....	\$ 24.00 per month
Effective January 1, 2009.....	\$ 25.00 per month
Effective January 1, 2010.....	\$ 26.00 per month

- Mobile unit dwellings shall be charged the equivalent per EDU rate based on the number of occupied dwellings.

Commercial/Industrial (Schools) Sewer Service Charges:

- Commercial/Industrial sewer service charges shall be based on estimated or measured flows determined in accordance with District approved standards. A fixture count, or other method of establishing flows, will be conducted by District to determine the usage in Equivalent Dwelling Units (EDUs). Rates will be established on a per EDU basis at the following rate of:

Effective January 1, 2008.....	\$ 24.00 per EDU
Effective January 1, 2009.....	\$ 25.00 per EDU
Effective January 1, 2010.....	\$ 26.00 per EDU

- Industrial service shall also be subject to special charges depending on treatment required, and industrial pretreatment may also be required on a case-by-case basis.