

REGULAR MEETING OF THE BOARD OF DIRECTORS ROSAMOND COMMUNITY SERVICES DISTRICT

7PM Regular Board Meeting
Tuesday, April 19, 2016
District Board Room
3179 35th Street West
Rosamond, CA 93560

Agenda

CALL TO ORDER

ROLL CALL

President Alfred Wallis
Vice President Olaf Landsgaard
Director Dennis Shingledecker
Director Byron Glennan
Director Ed MacKay

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA

BOARD SECRETARY

This portion of the agenda allows an individual the opportunity to address the Board on any item NOT ON THE AGENDA regarding District business. State law prohibits the District from taking any action on any items not on the agenda, unless authorized under §54954.2(b) of the Government Code, and your matter may be referred to the General Manager. An individual may also address the Board on any agenda item at the time the matter is discussed, and prior to Board consideration or action. Speakers will be limited to five (5) minutes. Your time will start when you approach the podium, and you will be given a 30 second warning before your time expires. If you choose to ask a question during this time, any response by the Board will not extend your time. Questions may be referred to the General Manager to be answered at a later time after the meeting. In order to allow for a smooth and orderly meeting, and allow each speaker the ability to address the Board, disruptions from the audience will not be tolerated and you could be asked to leave. We appreciate your cooperation in this democratic process.

PUBLIC COMMENTS

MINUTES

M 1. Approve April 5, 2016, Regular Board Meeting Minutes

CONSENT CALENDAR

CC 1. Approve Check/Voucher Register 3/29/2016 - 04/11/2016

CC 2. Approve Check/Voucher Register 3/29/2016 - 04/11/2016- Related Party

PUBLIC HEARING

PH 1. Introduce **Ordinance No. 2016-2**, an ordinance of the Rosamond Community Services District amending and restating Ordinance 2009-1 to update the Water Conservation (No Waste) Program. (Presenter: Ronald Smith, General Manager)

NEW BUSINESS

NB 1. Rate Study (Presenters: Marc Rozman, GEI Consultants and Brad Rockabrand, Director of Finance)

A. Discussion and action to accept the rate study.

B. Discussion and action to set a public hearing for June 16, 2016 at 6:00pm for the proposed increase in the water and sewer service fees.

C. Discussion and action to direct Staff to mail the notices to customers and property owners as required under Proposition 218 and to take any and all other action as required by law for the notice and hearing prior to consideration of the proposed increases in the water and sewer rates.

NB 2. Adopt **Resolution 2016-9**, amending policy numbers 7020, 7024 and 7030 of the Administrative Handbook. (Presenter: Ronald Smith, General Manager)

DIRECTOR REPORTS/COMMENTS/FUTURE AGENDA ITEMS

GENERAL COUNSEL UPDATE

Allison Burns, Esq.

GENERAL MANAGER UPDATE

Ronald Smith

ASSISTANT GENERAL MANAGER UPDATE

John Houghton

DIRECTOR OF FINANCE UPDATE

Brad Rockabrand, CPA

DIRECTOR OF PUBLIC WORKS UPDATE

Brach Smith

DIRECTOR OF ADMINISTRATION/BOARD SECRETARY UPDATE

Lizette Guerrero, CMC

ADJOURNMENT

Requirements Regarding Disabled Access: In accordance with §54954.2(a), requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the RCSD Board Secretary/Assistant at least 48 hours in advance of the meeting to ensure availability of the requested service or accommodation. Please contact the Board Secretary/ Assistant by telephone at (661) 256-5808, Email: lguerrero@rosamondcsd.com or in writing at the Rosamond Community Services District, Attn: Board Secretary/Assistant; 3179 35th Street West, Rosamond, CA 93560.

Pursuant to Government Code Section 54957.5, any writing that: (1) is a public record; (2) relates to an agenda item for an open session of a regular meeting of the Board of Directors; and (3) is distributed less than 72 hours prior to that meeting, will be made available for public inspection at the time the writing is distributed to the Board of Directors. Any such writing will be available for public inspection at the District offices located at [3179 35th Street West, Rosamond, CA 93560](#). In addition, any such writing may also be posted on the District's web site.

**REGULAR MEETING OF THE
BOARD OF DIRECTORS
ROSAMOND COMMUNITY SERVICES DISTRICT**

7PM Regular Board Meeting
Tuesday, April 5, 2016
District Board Room
3179 35th Street West
Rosamond, CA 93560

MINUTES

President Wallis called the meeting to order at 6:00 p.m.

ROLL CALL

President Alfred Wallis
Vice President Olaf Landsgaard
Director Dennis Shingledecker
Director Byron Glennan
Director Ed MacKay

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA

Motion made by Vice-President Landsgaard, Seconded by Director MacKay to approve the agenda. Motion passed with 5 ayes.

BOARD SECRETARY

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PUBLIC COMMENTS

None

MINUTES

M 1. Approve March 15, 2016, Regular Board Meeting Minutes

M 2. Approve March 30, 2016, Special Board Meeting Minutes

Motion made by Director MacKay, Seconded by Vice-President Landsgaard to approve the minutes. Motion passed with 5 ayes.

CONSENT CALENDAR

CC 1. Approve Check/Voucher Register 3/08/2016 - 03/28/2016

CC 2. Approve Check/Voucher Register 3/08/2016 - 03/28/2016- Related Party

Motion made by Director Shingledecker, Seconded by Director MacKay to approve CC 1. Motion passed with 5 ayes.

Motion made by Director Shingledecker, Seconded by Director MacKay to approve CC 2. Motion passed with 4 ayes and 1 recusal (Vice-President Landsgaard).

NEW BUSINESS

NB 1. Adopt **Resolution 2016-6**, initiating proceedings pursuant to the Landscaping and Lighting Act of 1972 for the annexation of property to Landscaping and Lighting Assessment District No. 2 (Annexation No. 3) and ordering the preparation of the Engineer’s Report. (Presenter: Shirley Smith, California District Services, Inc.)

Motion made by Director Glennan, Seconded by Director Shingledecker to adopt Resolution 2016-6. Motion passed based on the following Roll Call Vote:

Vice-President Landsgaard	<u>aye</u>	Director Shingledecker	<u>aye</u>
Director Glennan	<u>aye</u>	Director MacKay	<u>aye</u>
President Wallis	<u>aye</u>		

NB 2. Adopt **Resolution 2016-7**, amending policy number 7035 of the Administrative Handbook. (Presenter: Ron Smith, General Manager)

Motion made by Vice-President Landsgaard, Seconded by Director MacKay to adopt Resolution 2016-7 as amended. Motion passed based on the following Roll Call Vote:

Vice-President Landsgaard	<u>aye</u>	Director Shingledecker	<u>aye</u>
Director Glennan	<u>aye</u>	Director MacKay	<u>aye</u>
President Wallis	<u>aye</u>		

NB 3. Adopt **Resolution 2016-8**, amending the Employee Handbook regarding the Harassment, Discrimination and Retaliation Prevention Policy. (Presenter: Lizette Guerrero, Director of Administration)

Motion made by Vice-President Landsgaard, Seconded by Director Glennan to adopt Resolution 2016-8. Motion passed based on the following Roll Call Vote:

Vice-President Landsgaard	<u>aye</u>	Director Shingledecker	<u>aye</u>
Director Glennan	<u>aye</u>	Director MacKay	<u>aye</u>
President Wallis	<u>aye</u>		

NB 4. Approve the Request for Variance Application for 3546 Rosamond Blvd. (Presenter: Brach Smith, Director of Public Works)

Motion made by Vice-President Landsgaard, Seconded by Director Shingledecker to approve the Request for Variance Application for 3546 Rosamond Blvd. Motion passed with 5 ayes.

DIRECTOR REPORTS/COMMENTS/FUTURE AGENDA ITEMS
Comments made by Director's Glennan, MacKay and Landsgaard.

GENERAL COUNSEL UPDATE

Allison Burns, Esq. - **update provided**

GENERAL MANAGER UPDATE

Ronald Smith- **absent**

ASSISTANT GENERAL MANAGER UPDATE

John Houghton - **update provided**

DIRECTOR OF FINANCE UPDATE

Brad Rockabrand, CPA - **none**

DIRECTOR OF PUBLIC WORKS UPDATE

Brach Smith - **update provided**

DIRECTOR OF ADMINISTRATION/BOARD SECRETARY UPDATE

Lizette Guerrero, CMC - **none**

ADJOURNMENT- Without objection, the meeting was adjourned at 7:29 pm.

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Respectfully submitted:

President, Board of Directors
Rosamond Community Services District

Board Secretary

STAFF REPORT

Rosamond Community Services District

DATE: April 19, 2016
TO: Board of Directors
FROM: Brad Rockabrand, Director of Finance
Prepared by: Julie Lopez-Olmos, Senior Accounting Specialist
SUBJECT: Review of the check/voucher register dated March 29, 2016 through April 11, 2016
Check/voucher register-related party dated March 29, 2016 through April 11, 2016
Payroll (Checks) dated April 6, 2016, (Direct Deposits) dated April 6, 2016

RECOMMENDATION:

By motion, receive and file.

EXECUTIVE SUMMARY:

The District's check/voucher register includes all disbursement transactions, actual checks as well as electronic, for the periods referenced above. Total disbursements were \$121,001.39 as follows:

Checks issued to vendors	\$82,483.52
Payroll direct deposits and checks	<u>38,517.87</u>
Total	<u>\$121,001.39</u>

Significant disbursements included the following payments:

- \$26.00 was remitted to the Employment Development Department on March 30, 2016
 - \$.00 (Employer portion)
 - \$26.00 (Employee portion)
- \$442.00 was remitted to the Internal Revenue Service on March 30, 2016
 - \$221.00 (Employer portion)
 - \$221.00 (Employee portion)
- 8,798.68 was paid to CalPERS on April 6, 2016 for required contributions
 - \$5,827.40 (Employer portion)
 - \$2,971.28 (Employee portion)

- \$2,231.95 was remitted to the Employment Development Department on April 6, 2016
 - \$.00 (Employer portion)
 - \$2,231.95 (Employee portion)
- \$14,154.26 was remitted to the Internal Revenue Service on April 6, 2016
 - \$4,390.40 (Employer portion)
 - \$9,763.86 (Employee portion)
- \$10,000.00 was paid to United States Postal Service on April 6, 2016 for postage on billing and late notices
- \$19,327.5 was paid to Vavrinek, Trine, Day & Co., LLP on April 6, 2016 for Feb 2016 accounting services

DISCUSSION/ANALYSIS:

The check/voucher register dated March 29, 2016 through April 11, 2016, includes check numbers 53018 through 53053, 53054 overflow and 53055 through 53060 (Attachment 1).

Payroll (Direct deposit) numbered 21357 through 21378 were issued on April 6, 2016 in the amount of \$36,893.07. Payroll (Checks) numbered 21354 through 21356 were issued on April 6, 2016 in the amount of \$1,624.80 (Attachment 2).

FISCAL IMPACT:

Not applicable

ENVIRONMENTAL IMPACT:

Not applicable

PRIOR BOARD REVIEW:

Not applicable

COMMISSION/COMMITTEE/BOARD REVIEW AND RECOMMENDATIONS:

Not applicable

NOTIFICIATION:

Not applicable

ATTACHMENTS:

Attachment 1 – Check/voucher register dated March 29, 2016 through April 11, 2016

Attachment 2 – Payroll (Direct Deposits) and Payroll (Checks) dated April 6, 2016

Attachment 3 –Bank of the West Business Card ending in 0135

Rosamond Community Services District
 Check/Voucher Register
 10101 - General Checking - Wells Fargo
 From 3/29/2016 Through 4/11/2016

Date	Check No.	Vendor Name	Transaction Description	Amount	Total
3/30/2016	53018	ANTELECOM, INC.	4G WIRELESS: ADMIN OFFICE	300.00	369.95
3/30/2016		ANTELECOM, INC.	4G WIRELESS: STP	69.95	369.95
3/30/2016	53019	AT&T MOBILITY	CELL PHONES & IPAD INTERNET CHARGES	928.75	928.75
3/30/2016	53020	AUTOZONE	TOOLS	353.41	353.41
3/30/2016	53021	BOOT BARN, INC.	ANNUAL BOOTS: E. TORRES	185.29	185.29
3/30/2016	53022	CHEVRON AND TEXACO UNIVERSAL CARD	GAS FOR DISTRICT VEHICLES	1,320.97	1,320.97
3/30/2016	53023	COSTCO	2 QTY PALLETS OF WATER	507.84	507.84
3/30/2016	53024	EMPLOYMENT DEVELOPMENT DEPARTMENT	STATE DISABILITY INSURANCE	26.00	26.00
3/30/2016	53025	FEDERAL EXPRESS	ARSENIC, AD 1990-2, TAX ROLL 1990-2	22.25	22.25
3/30/2016	53026	FIRST AMERICAN TITLE INSURANCE COMPANY	APN: 472-235-40-00-9	750.00	750.00
3/30/2016	53027	GUERRERO, LIZETTE	PER DIEM ALLOWANCE: SDRMA SAFETY CLAIMS	111.00	111.00
3/30/2016	53028	GUERRERO, LIZETTE	MILEAGE REIMBURSEMENT: TO/FROM SDRMA SAFETY CLAIMS	137.70	137.70
3/30/2016	53029	HARBOR FREIGHT TOOLS	TOOLS	366.63	366.63
3/30/2016	53030	HD SUPPLY WATERWORKS, LTD	25 QTY 3/4 INSTA-TITE	477.57	477.57
3/30/2016	53031	INTERNAL REVENUE SERVICE	MEDICARE	83.78	442.00
3/30/2016		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	358.22	442.00
3/30/2016	53032	SOUTHERN CALIF. EDISON	SEWER	6,697.87	6,697.87
3/30/2016	53033	THE GAS COMPANY	UNIT A	55.89	175.62
3/30/2016		THE GAS COMPANY	UNIT B	65.13	175.62
3/30/2016		THE GAS COMPANY	2645 DIAMOND ST	54.60	175.62
3/30/2016	53034	THE GAS COMPANY	875 PATTERSON RD	103.02	103.02
4/6/2016	53035	A&R TIRES	MOWER: FLAT TIRE REPAIR	10.00	10.00
4/6/2016	53036	A-1 KLEAN RITE	PW BLD: JANITORIAL CLEANING	150.00	837.50
4/6/2016		A-1 KLEAN RITE	MAIN BLD: JANITORIAL CLEANING	687.50	837.50
4/6/2016	53037	AUTOZONE	#6 BATTERY CABLE LUGS & TERMINALS	11.80	162.33
4/6/2016		AUTOZONE	#19 CARBURETOR CLEANER, WINDSHIELD WASHER FLUID, ETC.	150.53	162.33
4/6/2016	53038	BANK OF THE WEST	ROSAMOND CSD	2,086.49	2,086.49
4/6/2016	53039	CALIFORNIA PUBLIC EMPLOYEE'S RETIREMENT SYSTEM	PAYROLL REMITTANCE	8,798.68	8,798.68
4/6/2016	53040	CALPERS SUPPLEMENTAL INCOME 457 PLAN	PERS 457	1,759.61	1,759.61
4/6/2016	53041	EMPLOYMENT DEVELOPMENT DEPARTMENT	STATE DISABILITY INSURANCE	492.71	2,231.95
4/6/2016		EMPLOYMENT DEVELOPMENT DEPARTMENT	STATE INCOME TAX	1,739.24	2,231.95
4/6/2016	53042	FEDERAL EXPRESS	ARSENIC, COLLECTIONS, TAX ROLL 1990-2, KERN COUNTY-ADMIN	34.67	34.67
4/6/2016	53043	GREATAMERICA FINANCIAL SERVICES	KYOCERA COPIER LEASE AGREEMENTS	392.53	392.53
4/6/2016	53044	INTERNAL REVENUE SERVICE	FEDERAL INCOME TAX	5,373.46	14,154.26
4/6/2016		INTERNAL REVENUE SERVICE	MEDICARE	1,664.34	14,154.26
4/6/2016		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	7,116.46	14,154.26
4/6/2016	53045	JP POOLS	WADE POOL FILTER REPAIR & NEW 2HP PUMP, MOTOR & SEALS	1,057.00	1,057.00
4/6/2016	53046	KIMBALL MIDWEST	STOCK SUPPLIES	233.80	348.12
4/6/2016		KIMBALL MIDWEST	STOCK SUPPLIES	114.32	348.12
4/6/2016	53047	MACKAY, MORRISON	MILEAGE REIMBURSEMENT: TO/FROM SDRMA TRAINING	136.08	136.08
4/6/2016	53048	MISSION LINEN SUPPLY	EMPLOYEE UNIFORMS	664.40	664.40
4/6/2016	53049	MISSION LINEN SUPPLY	RUGS & MATS	56.46	56.46
4/6/2016	53050	O'DONNELL HEATING & AIR INC.	CONFERENCE ROOM HEATER REPAIR	154.12	154.12
4/6/2016	53051	OFFICE DEPOT	CALCULATOR TAPE, INDUSTRIAL SHARPIES, PAPER, ETC.	127.94	127.94

Rosamond Community Services District
Check/Voucher Register
10101 - General Checking - Wells Fargo
From 3/29/2016 Through 4/11/2016

Date	Check No.	Vendor Name	Transaction Description	Amount	Total
4/6/2016	53052	QUESTYS SOLUTION	MAR 2016	350.00	350.00
4/6/2016	53053	ROSAMOND DISPOSAL	2235 40TH ST: TRASH SERVICE	189.26	680.87
4/6/2016		ROSAMOND DISPOSAL	875 PATTERSON RD: TRASH SERVICE	374.05	680.87
4/6/2016		ROSAMOND DISPOSAL	3179 35TH ST WEST: TRASH SERVICE	117.56	680.87
4/6/2016	53054	OVERFLOW		0.00	0.00
4/6/2016	53055	ROSAMOND CSD	40TH ST: RESTROOMS	276.79	2,091.82
4/6/2016		ROSAMOND CSD	40TH ST W: IRRIGATION MTR	273.18	2,091.82
4/6/2016		ROSAMOND CSD	40TH & PACIFIC AVE: POOL & CENTER	93.13	2,091.82
4/6/2016		ROSAMOND CSD	40TH & ORANGE ST	141.73	2,091.82
4/6/2016		ROSAMOND CSD	40TH & PACIFIC AVE	99.17	2,091.82
4/6/2016		ROSAMOND CSD	HOOK & FERNWOOD	211.46	2,091.82
4/6/2016		ROSAMOND CSD	35TH & TANGLEWOOD	83.49	2,091.82
4/6/2016		ROSAMOND CSD	35TH & ORANGE	65.60	2,091.82
4/6/2016		ROSAMOND CSD	35TH & IMPERIAL	34.44	2,091.82
4/6/2016		ROSAMOND CSD	WESTWIND CT	83.49	2,091.82
4/6/2016		ROSAMOND CSD	HASTINGS & UNITED ST	211.46	2,091.82
4/6/2016		ROSAMOND CSD	UNITED & HEATHERFIELD	211.46	2,091.82
4/6/2016		ROSAMOND CSD	HOOK & WYANDOTTE	52.16	2,091.82
4/6/2016		ROSAMOND CSD	HOOK & SCHERER	52.16	2,091.82
4/6/2016		ROSAMOND CSD	UNITED ST	52.16	2,091.82
4/6/2016		ROSAMOND CSD	ORANGE & MONJE	87.97	2,091.82
4/6/2016		ROSAMOND CSD	2645 DIAMOND ST	61.97	2,091.82
4/6/2016	53056	ROSAMOND CSD	BULK WATER METER	305.04	695.49
4/6/2016		ROSAMOND CSD	#1 CONSERVATION METER	20.00	695.49
4/6/2016		ROSAMOND CSD	#2 CONSERVATION METER	20.00	695.49
4/6/2016		ROSAMOND CSD	#3 CONSERVATION METER	20.00	695.49
4/6/2016		ROSAMOND CSD	3179 35TH ST W	330.45	695.49
4/6/2016	53057	SEMS TECHNOLOGIES, LLC	12 MO RENEWAL SEMS PRO ASSET MANAGEMENT	3,000.00	3,000.00
4/6/2016	53058	SOUTHERN CALIF. EDISON	3750 ORANGE ST A	25.60	349.83
4/6/2016		SOUTHERN CALIF. EDISON	35TH ST W & ORANGE	25.60	349.83
4/6/2016		SOUTHERN CALIF. EDISON	2009 1/2 WESTWIND CT	25.73	349.83
4/6/2016		SOUTHERN CALIF. EDISON	2100 40TH ST W A	25.73	349.83
4/6/2016		SOUTHERN CALIF. EDISON	2400 40TH ST W A	25.60	349.83
4/6/2016		SOUTHERN CALIF. EDISON	3503 W TANGLEWOOD PED	25.48	349.83
4/6/2016		SOUTHERN CALIF. EDISON	35TH ST W & FIREBUSH	25.85	349.83
4/6/2016		SOUTHERN CALIF. EDISON	POOL 2235 40TH ST W	170.24	349.83
4/6/2016	53059	UNITED STATES POSTAL SERVICE	POSTAGE FOR BILLING/LATE NOTICES	10,000.00	10,000.00
4/6/2016	53060	VAVRINEK, TRINE, DAY & CO., LLP	FEB 2016 ACCOUNTING SERVICES	19,327.50	19,327.50

Report Total

82,483.52

Rosamond Community Services District
Summary Check/Transaction Register
From 4/4/2016 Through 4/6/2016

<u>Document Date</u>	<u>Document Number</u>	<u>Type of Payment</u>	<u>Amount</u>
4/6/2016	21354	Check	357.26
4/6/2016	21355	Check	453.02
4/6/2016	21356	Check	814.52
4/6/2016	21357	Check	271.51
4/6/2016	21358	Check	407.26
4/6/2016	21359	Check	1,567.59
4/6/2016	21360	Check	2,049.48
4/6/2016	21361	Check	1,261.62
4/6/2016	21362	Check	1,550.84
4/6/2016	21363	Check	2,618.10
4/6/2016	21364	Check	2,794.32
4/6/2016	21365	Check	1,246.37
4/6/2016	21366	Check	1,001.30
4/6/2016	21367	Check	2,895.64
4/6/2016	21368	Check	1,568.75
4/6/2016	21369	Check	2,673.84
4/6/2016	21370	Check	1,108.28
4/6/2016	21371	Check	1,531.42
4/6/2016	21372	Check	1,905.92
4/6/2016	21373	Check	1,948.92
4/6/2016	21374	Check	3,533.35
4/6/2016	21375	Check	1,240.84
4/6/2016	21376	Check	1,093.39
4/6/2016	21377	Check	1,199.63
4/6/2016	21378	Check	<u>1,424.70</u>
Report Total			<u><u>38,517.87</u></u>

PAYROLL 04/06/16

<u>Document Date</u>	<u>Document Number</u>	<u>Amount</u>
4/6/2016	21357	271.51
4/6/2016	21358	407.26
4/6/2016	21359	1,567.59
4/6/2016	21360	2,049.48
4/6/2016	21361	1,261.62
4/6/2016	21362	1,550.84
4/6/2016	21363	2,618.10
4/6/2016	21364	2,794.32
4/6/2016	21365	1,246.37
4/6/2016	21366	1,001.30
4/6/2016	21367	2,895.64
4/6/2016	21368	1,568.75
4/6/2016	21369	2,673.84
4/6/2016	21370	1,108.28
4/6/2016	21371	1,531.42
4/6/2016	21372	1,905.92
4/6/2016	21373	1,948.92
4/6/2016	21374	3,533.35
4/6/2016	21375	1,240.84
4/6/2016	21376	1,093.39
4/6/2016	21377	1,199.63
4/6/2016	21378	<u>1,424.70</u>
	Total Direct Deposit	36,893.07
4/6/2016	21354	357.26
4/6/2016	21355	453.02
4/6/2016	21356	<u>814.52</u>
	Total Checks Issued	1,624.80
	Total	<u>38,517.87</u>



BANKCARD CENTER
PO BOX 84043
COLUMBUS GA 31908-4043



BANKCARD CENTER
PO BOX 4025
ALAMEDA CA 94501-0425

ROSAMOND CSD
3179 35TH STREET WEST
ROSAMOND CA 93560
**N0007294

Account Number XXXX-XXXX-0135

Payment Due Date APR 22, 2016

Amount Due \$2,086.49

Current Balance \$2,086.49

Please detach and return with your payment

Amount Enclosed \$

⑆5868 250 13⑆55693 20000360 135⑆

⑆0000 208649⑆

CORPORATE ACCOUNT SUMMARY

ROSAMOND CSD XXXX-XXXX-0135 Company Total	Previous Balance	Purchases + & Other Debits	Cash Advances	Finance Charges	Credits	Payments	New Balance
	\$654.03	\$2,086.49	\$0.00	\$0.00	\$0.00	\$654.03	\$2,086.49

CARDHOLDER NEW ACTIVITY SUMMARY

ROSAMOND CSD XXXX-XXXX-6611 Credit Limit \$50,000	Purchases and Other Debits	Cash Advances	Credits	Total Activity
	\$2,086.49	\$0.00	\$0.00	\$2,086.49

FINANCE CHARGE SUMMARY

	Average Daily Balance	Daily Periodic Rate	Corresponding Annual Percentage Rate	Periodic Finance Charge
PURCHASES	\$0.00	0.0233%	08.49%	\$0.00
CASH ADVANCES	\$0.00	0.0493%	18.00%	\$0.00

For Customer Service, Call: 1-866-432-8161	Account Number		Account Summary	
		XXXX-XXXX-	0135	Previous Balance
			Purchases & Other Charges	\$2,086.49
	Statement Date	Payment Due Date	Cash Advances	\$0.00
	MAR 28, 2016	APR 22, 2016	Cash Advance Fees	\$0.00
Send Payments to: BANKCARD CENTER PO BOX 4025 ALAMEDA CA 94501-0425 All other inquiries can be sent to: BANKCARD CENTER PO BOX 84043 COLUMBUS GA 31908-4043	Credit Limit	Available Credit	Late Charge	\$0.00
	\$50,000	\$47,913.51	Finance Charges	\$0.00
			Credits	\$0.00
	Amount Due	Disputed Amount	Payments	\$654.03
\$2,086.49	\$0.00		New Balance	\$2,086.49



Statement Date	MAR 28, 2016	Payment Due Date	APR 22, 2016
Credit Limit	\$50,000	Amount Due	\$2,086.49
Cash Advance Balance	\$0.00	New Balance	\$2,086.49
Available Credit	\$47,913.51		
ROSAMOND CSD			
XXXX-XXXX-1 -0135			

CORPORATE ACCOUNT ACTIVITY

ROSAMOND CSD XXXX-XXXX- 0135		TOTAL CORPORATE ACTIVITY \$654.03 CR		
Posting Date	Transaction Date	Reference Number	Transaction Description	Amount
03-14	03-14	0014002030502030000000	PAYMENT - THANK YOU	654.03 CR

CARDHOLDER ACTIVITY

ROSAMOND CSD XXXX-XXXX- 6611		PURCHASES \$2,086.49	CASH ADVANCES \$0.00	CREDITS \$0.00	TOTAL ACTIVITY \$2,086.49
Posting Date	Transaction Date	Reference Number	Transaction Description	Amount	
02-29	02-28	75418236059023571745660	DNH*GODADDY.COM 480-5058855 AZ Tran: 943719716 Tax ID: 860850417 Mer Zip: 85260	2.99	
03-08	03-07	55436876068730689870956	JESSE S PIZZA ROSEMONT CA Tran: 1 Tax ID: 560735364 Mer Zip: 93560	91.83	
03-08	03-07	05140486067720024822136	ALBERTSONS #6337 ROSAMOND CA Tax ID: 204057706 Mer Zip: 93560	12.67	
03-10	03-09	55432866069000997946656	WWW.LOGMEIN.COM LOGMEIN.COM MA Tran: LWRIYG39539200B Tax ID: 201515952 Mer Ref: AR1CD17384BD Mer Zip: 01801	349.00	
03-14	03-11	55480776072286357600234	ASSOCIATION OF CALIFOR 09164414545 CA Tax ID: 946003910 Mer Ref: 35760023 Mer Zip: 95814 Origin Zip: 95814 Dest Cty: USA	695.00	
03-14	03-11	55480776072286357600242	ASSOCIATION OF CALIFOR 09164414545 CA Tax ID: 946003910 Mer Ref: 35760024 Mer Zip: 95814 Origin Zip: 95814 Dest Cty: USA	695.00	
03-24	03-23	55131586084091266025206	MSFT * E01001YUM0 800-842-7676 NV Tax ID: 452684001 Mer Ref: 26602520 Mer Zip: 89119 Origin Zip: 89119 Dest Cty: USA	240.00	

ORDINANCE NO. 2016-2

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE ROSAMOND COMMUNITY SERVICES DISTRICT AMENDING AND RESTATING ORDINANCE NO. 2009-1 TO UPDATE THE WATER CONSERVATION (NO WASTE) PROGRAM

WHEREAS, the Rosamond Community Services District (“District”) is a public agency of the State of California (the “State”) formed under the Community Services District Law (Government Code Section 61000, *et seq.*); and

WHEREAS, pursuant to California Water Code section 375, the District is authorized to adopt and enforce a water conservation program to reduce the quantity of water used by persons within its jurisdiction for the purpose of conserving the water supplies of the District; and

WHEREAS, on March 25, 2009, the District’s Board of Directors adopted Ordinance No. 2009-1, which updated the District’s Water Conservation (No Waste) Program (the “Water Conservation Program”); and

WHEREAS, the District’s Water Conservation Program sets forth five stages of water conservation and drought response measures to be implemented by the District; and

WHEREAS, on April 25, 2014, the Governor of the State of California (the “Governor”) proclaimed a Continued State of Emergency to exist throughout the State due to severe drought conditions; and

WHEREAS, on July 15, 2014, the State Water Board adopted California Code of Regulations, Title 23, Sections 863, 864, and 865, as an emergency regulation because of emergency drought conditions, the need for prompt action, and current limitations in the existing enforcement process; and

WHEREAS, in July 2014, the District duly adopted Resolution 2014-14 to implement Stage 2 of the District’s Water Conservation Program in response to the Governor’s foregoing proclamation and the adoption of Sections 863, 864 and 865 of Title 23 of the California Code of Regulations; and

WHEREAS, on April 1, 2015, the Governor issued Executive Order B-29-15 (the “Executive Order”), which ordered the California Department of Water Resources (the “Department”) to, among other things, update the State’s Model Water Efficient Landscape Ordinance set forth in Title 23, Chapter 2.7, of the California Code of Regulations (the “Model Ordinance”) to “increase water efficiency standards for new and existing landscapes through more efficient irrigation systems, greywater usage, onsite storm water capture and by limiting the portion of landscapes that can be covered in turf”; and

WHEREAS, on May 5, 2015, the California State Water Resources Control Board adopted Resolution No. 2015-0032 which adopted an Emergency Regulation for Statewide Urban Water Conservation. As an Urban Water Supplier, the District is obligated to adopt

reasonable conservation regulations that are best suited to our particular community and environment in order to achieve the goals mandated by the State; and

WHEREAS, on May 13, 2015, the District adopted Resolution 2015-6 to implement Stage 3 of the District's Water Conservation Program in response to the directives of the Executive Order; and

WHEREAS, on September 15, 2015, changes to Title 23, Division 2, Chapter 2.7 of the California Code of Regulations were made in accordance with the directives of the Executive Order; and

WHEREAS, Title 23 of the California Code of Regulations encourages the adoption of the Model Ordinance or a locally modified Water Efficient Landscape Ordinance that is at least as efficient as the Model Ordinance; and

WHEREAS, on December 15, 2015, the District adopted Ordinance No. 2015-2 adopting the Model Ordinance or a locally modified Water Efficient Landscape Ordinance that is at least as efficient as the Model; and

WHEREAS, due to extreme temperatures and desert soils within the District's geographical jurisdiction and the detrimental effect these have on watering and irrigation, the District has determined it should update its Water Conservation Program to develop irrigation restrictions that establish more efficient water conservation and drought response measures.

NOW, THEREFORE, the Board of Directors of Rosamond Community Services District ordains as follows:

Section 1. Restatement of Water Conservation (No Waste) Program; Repeal of Ordinance Nos. 2001-01 and 2009-1. This Ordinance amends and restates in its entirety the Rosamond Community Service District's Water Conservation (No Waste) Program. Ordinance No. 2001-01, adopted on November 22, 2000, and Ordinance No. 2009-1, adopted on March 25, 2009, are each hereby repealed.

Section 2. Findings and Intent.

A. The Board of Directors finds and determines that because of the prevailing conditions in the State, and the declared policy of the State, it is necessary and appropriate for the District to adopt, implement, and enforce a water conservation program to reduce the quantity of water used by persons within the District to ensure that there is sufficient water for human consumption, sanitation, and fire protection. The District further finds and determines that during periods of drought, water shortages, and water shortage emergencies the general welfare requires that the District maximize the beneficial use of its available water resources to the extent that it is capable, and that the waste or unreasonable use, or unreasonable method of use of water shall be prevented and the conservation of water is to be extended with the view to the reasonable and beneficial use thereof in the interests of the people of the District and for the public health, safety, and welfare.

B. This ordinance establishes water conservation and drought response measures and Rules and Regulations to be implemented during declared water conservation stages.

C. This ordinance establishes five stages of water conservation and drought response measures to be implemented by the District, with increasing restrictions on water use in response to decreasing water supplies and worsening drought conditions.

Section 3. Purpose and Scope.

A. The purpose of the water conservation provisions of this ordinance are to:

- i. protect the health, safety and welfare of the citizens and property owners of the District;
- ii. assure the maximum beneficial use of District water supplies;
- iii. attempt to provide sufficient water supplies to meet the basic needs of human consumption, sanitation, and fire protection.

B. This ordinance is not intended to repeal, abrogate, annul, impair or in any way interfere with the free use of property by covenant, deed, or other private agreement or with restrictive covenants running with the land to which the District provides water services.

C. The provisions of this ordinance shall apply to all persons within the District and all property served by the District wherever situated.

D. Nothing in this ordinance is intended to affect or limit the ability of the District to respond to an emergency, including an emergency that affects the ability of the District to supply water.

Section 4. Definitions. For the purposes of this ordinance, the following words, terms, and phrases shall have the following meanings:

A. “Board of Directors” means the Board of Directors of the District.

B. “District” means the Rosamond Community Services District, a community services district organized and existing pursuant to the Community Services District Law (California Government Code sections 61000 and following).

C. “Enforcement Officer” means any individual employed or otherwise charged by the District to inspect or enforce codes, ordinances, mandates, regulations, resolutions, rules or other laws adopted by the Board of Directors or other regulatory bodies.

D. “Graywater” means household wastewater other than toilet waste. Graywater includes wastewater from bathtubs, showers, bathroom washbasins, clothes washing machines, and laundry tubs but does not include wastewater from kitchen sinks or dishwashers.

E. "Person" means any natural person, firm, joint venture, joint stock company, partnership, public or private association, club, company, corporation, business trust, organization, public or private agency, government agency or institution, school district, college, university, any other user of water provided by the District, or the manager, lessee, agent, servant, officer or employee of any of them or any other entity which is recognized by law as the subject of rights or duties.

F. "Property owner" means the record owner of real property based on the Kern County Assessor's records.

G. "Rules and Regulations" mean the rules and regulations more fully set forth in Exhibit A hereto established pursuant to this ordinance for the regulation and enforcement of the District's Water Conservation (No Waste) Program.

H. "Summer months" mean the months of April through October.

I. "Water customer" or "customer" means a person who, according to the District's records, receives water service to a parcel of property.

J. "Water shortage emergency" means a condition existing within the District in which the ordinary water demands and requirements of persons within the District cannot be satisfied without depleting the water supply of the District to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. A water shortage emergency includes both an immediate emergency, in which the District is unable to meet current water needs of persons within the District, as well as a threatened water shortage, in which the District determines that its supply cannot meet an increased future demand.

K. "Winter months" means the months of October through March.

Section 5. Water Conservation and Unreasonable Uses of Water.

A. It is unlawful at any time for any person to make, cause, or use or permit the use of water from the District for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this ordinance, or in an amount in excess of that use permitted by the water conservation stages which are in effect pursuant to this ordinance or by action taken by the Board of Directors in accordance with this ordinance. The water conservation and drought response measures set forth in this Section 5 shall be in effect at all times.

B. It is unlawful at any time for any person to waste water or to use it unreasonably. Unreasonable uses of water shall include, but are not limited to, the following practices:

i. use of potable water to irrigate in such a manner as to result in runoff for more than 5 minutes;

ii. allowing potable water to escape from breaks within the customer's plumbing system for more than 24 hours after the customer is notified or discovers the break;

iii. use of potable water to wash down sidewalks, driveways, parking areas, tennis courts, patios or other paved areas, except to alleviate immediate safety or sanitation hazards;

iv. washing automobiles, trucks, boats, trailers, airplanes or other types of mobile equipment by hose without a shutoff nozzle and bucket except to wash such vehicles at commercial or fleet vehicle washing facilities using water recycling equipment. Further, such washings are exempted from these regulations where the health, safety, and welfare of the public is contingent upon frequent vehicle cleanings, such as garbage trucks and vehicles used to transport food and perishables;

v. use of potable water to clean, fill or maintain decorative fountains, lakes or ponds unless such item is re-circulating;

vi. except when specifically requested by a customer, serving water to a customer in a restaurant;

C. Construction operations receiving water from a construction meter or water truck shall not use water unnecessarily for any purpose other than those required by regulatory agencies.

D. The number of new construction meters shall not exceed the existing number of currently authorized meters. A new meter shall be issued only when an old meter is returned. Construction projects requiring water from a construction meter or a water truck shall not use water unnecessarily for any purposes other than those required by regulatory agencies.

E. A water conservation stage shall be determined by the Board of Directors in accordance with the provisions of this ordinance. A water conservation stage shall remain in full force and effect until otherwise determined or discontinued by resolution of the Board of Directors declaring that existing water supply conditions and the supply of water available for distribution within the District's service area has been replenished or augmented.

F. The Board of Directors may declare a water shortage emergency during any water conservation stage.

G. For new construction, recycled water, or untreated surface water shall be used for construction dust control or exterior non-potable water application purposes.

H. The District will read meters once a month for monitoring and billing purposes.

I. During Water Conservation Stage 1, the water conservation and drought response measures are voluntary and will be enforced through local and regional public education and awareness measures by the District.

J. During Water Conservation Stages 2 through 5, the water conservation and drought response measures are mandatory and violations are subject to criminal, civil, and administrative penalties and remedies as specified in this ordinance and by State law.

Section 6. Landscape Restrictions.

A. Residential Landscape Restrictions:

i. Single-family and multifamily residential developments are prohibited from installing new turf in common areas of residential neighborhoods. This restriction shall not apply to public parks or privately owned and maintained parks, including required usable open space in multifamily developments.

ii. The installation of new turf is prohibited in residential front yards; provided, however, a residential property owner may apply to the District for an exemption from the prohibition of this Section 6. Upon the approval of such application, the property owner may be permitted to install new turf in the residential front yard (in the quantity allowed for the side and rear yards), and shall not install turf in the side and rear yards. The approval of any application hereto shall be conditioned upon the property owner to give permission for District staff to gain access to the back and side yards for compliance inspection purposes.

iii. For single-family residential lots, the installation of new turf in yard shall not exceed 20% of total yard.

B. Non-Residential Landscape Restrictions:

i. The installation of new turf in non-residential developments is prohibited, unless specifically permitted by a land use application approved by the District. Under no circumstances shall a land use application be approved to allow more than 50% of the turf permitted under Water Conservation Stage 2. Notwithstanding the forgoing, these provisions shall not apply to public or private schools or parks.

C. Any person or association shall be prohibited from imposing private covenants, conditions, restrictions, deed clauses or other agreements between the respective parties, which prevent a person from utilizing water efficient landscaping, including, but not limited to, xeriscape, provided such landscaping receives appropriate review approval.

D. The District will not grant any waiver or variance with respect to the standards listed in this Section 6. Such a request shall be considered a request to amend the requirements of this Section 6.

E. All New Construction or Rehabilitated Landscaping shall follow the State's Model Water Efficient Landscape Ordinance, or the requirements of this Ordinance, whichever is stricter.

F. The District encourages the use of water efficient drip systems and the use of automatic irrigation controllers. During all Water Conservation Stages, all irrigation systems shall maintain the water use for landscaping to a level not to exceed the Maximum Applied Water Allowance set by the State's Model Water Efficient Landscape Ordinance. The Maximum Applied Water Allowance for existing landscapes shall be calculated as: $MAWA=(0.8)(ET_o)(LA)(0.62)$.

Section 7. Water Conservation Stage 1 - Normal Water Supply.

A. Water Conservation Stage 1 is also referred to as a “Normal Water Supply” and applies during periods when the District is able to meet all of the water demands of its customers. Water Conservation Stage 1 is in effect at all times unless the Board of Directors otherwise declares that another water conservation stage is in effect pursuant to this ordinance. Water is a limited natural resource and must be used efficiently and economically to meet the health and safety needs of the community. All normal water efficiency programs and water conservation regulations of the District will be in full force and effect during Water Conservation Stage 1.

Section 8. Water Conservation Stage 2 - Minimum Water Shortage.

A. Water Conservation Stage 2 is also referred to as a “Minimum Water Shortage” and applies during periods when a reasonable probability exists that the District will not be able to meet all of the water demands of its customers. Water Conservation Stage 2 may be caused by, but not limited to, any or all of the following circumstances or events:

i. a regional water supply shortage exists and a regional public outreach campaign is being implemented asking or requiring all persons to reduce water use;

ii. groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);

iii. alternative water supplies are limited or unavailable;

iv. groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional Water Quality Control Board, Kern County, or some other regulatory body.

B. The objective of the measures undertaken in Water Conservation Stage 2 is to reduce water system consumption within the District by 10% to 15%.

C. Upon declaration of a Water Conservation Stage 2 by the Board of Directors, implementation by the District and publication of notice, the following water conservation and drought response measures shall apply:

i. The District shall determine the total amount of water delivered to the property of each customer in the prior fiscal year (the “Base Year Consumption Amount”). Water customers shall reduce their water consumption by 10% to 15% from the Base Year Consumption Amount for the duration of Water Conservation Stage 2; provided, however, the Base Year Consumption Amount for any subsequent fiscal year shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage 2 for more than twelve months.

ii. Overhead irrigation may be used to water lawns, ground covers, and landscaping, including construction meter irrigation, for a maximum of 12 minutes per

station in the morning and 12 minutes per station in the evening, with a maximum of 24 minutes per day. Drippers have no per station time limit, but are restricted to the MAWA, and may not cause unreasonable pooling or runoff. All irrigation and watering can only occur during the following designated hours and days:

a. properties with odd number street addresses, parks, and public right of ways, only on Saturday, Monday, and Wednesday between the hours of 6:00 p.m. and 10:00 a.m. during the winter months (unless the temperature during those times is below freezing, then there is no time-of-day restriction) and between the hours of 8:00 p.m. and 7:00 a.m. during the summer months.

b. properties with even number street addresses, parks, and public right of ways, only on Sunday, Tuesday, and Thursday between the hours of 6:00 p.m. and 10:00 a.m. during the winter months (unless the temperature during those times is below freezing, then there is no time-of-day restriction) and between the hours of 8:00 p.m. and 7:00 a.m. during the summer months.

c. all watering and irrigation during days and times not listed in Section 8.C.ii.a. and Section 8.C.ii.b. is prohibited.

iii. All irrigation timers shall be adjusted to comply with the provisions of Section 8C.ii. hereof.

iv. Notwithstanding the provisions of Section 8.C.ii. hereof, the use of graywater to irrigate fruit trees, lawns and ground covers, and ornamental trees and shrubs is permitted on any day and at any time; provided, however, graywater may only be used in accordance with Kern County Health Department regulations.

v. All swimming pools, spas, ponds, and fountains shall be equipped with recirculating pumps.

vi. All plumbing leaks, improperly adjusted sprinklers, or other water conduits/fixtures that require repair or adjustment shall be corrected to the satisfaction of the District.

vii. Water customers shall read their water meters at least once each month to monitor their water consumption.

viii. Use of water from fire hydrants shall be limited to fire fighting, related activities or other activities necessary to maintain the health, safety, and welfare of the public.

ix. All new Single Family Residence and Duplex homes shall be equipped with dual water meters and shall initially reduce water through landscape meters.

x. The washing of automobiles, trucks, trailers, boats, airplanes, and other types of mobile equipment is permitted with a hand-held bucket or a hand-held hose equipped with an automatic, positive shut-off nozzle for quick rinses. Washing is permitted at

any time on the immediate premises of a commercial car wash. The use of water by all types of commercial car washes not using partially reclaimed or recycled water shall be reduced in volume by an amount determined by the Board of Directors. Further, such washings are exempt from these regulations where the health, safety, and welfare of the public is contingent upon frequent vehicle cleanings, such as garbage trucks and vehicles used to transport food and perishables.

Section 9. Water Conservation Stage 3 -Moderate Water Shortage.

A. Water Conservation Stage 3 is also referred to as a “Moderate Water Shortage” and applies during periods when the District will not be able to meet all of the water demands of its customers. Water Conservation Stage 3 may be caused by, but is not limited to, any or all of the following circumstances or events:

i. a regional or statewide water supply shortage exists and a regional public outreach campaign is being implemented asking or requiring all persons to reduce water use;

ii. groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);

iii. alternative water supplies are limited or unavailable;

iv. groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional Water Quality Control Board, Kern County, or some other regulatory body.

B. The objective of the measures undertaken in Water Conservation Stage 3 is to reduce water system consumption within the District by 15% to 20%.

C. Except as otherwise provided in this Section 9, all water conservation and drought response measures of Water Conservation Stages 1 and 2 shall be in full force and effect during Water Conservation Stage 3. Upon declaration of a Water Conservation Stage 3 by the Board of Directors, implementation by the District and publication of notice, the following water conservation and drought response measures shall apply:

i. Water customers shall reduce their water consumption by 15% to 20% from the Base Year Consumption Amount for the duration of Water Conservation Stage 3; provided, however, the Base Year Consumption Amount for any subsequent fiscal year shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage 3 for more than 12 months.

ii. Overhead Irrigation may be used to water lawns, ground covers, and landscaping, including construction meter irrigation, for a maximum of 8 minutes per station in the morning and 8 minutes per station in the evening, with a maximum of 16 minutes per day. Drippers have no per station time limit, but are restricted to the MAWA, and may not cause unreasonable pooling or runoff. All irrigation and watering can only occur during the following

designated hours and days:

a. properties with odd number street addresses, parks, and public right of ways, only on Saturday, Monday, and Wednesday between the hours of 6:00 p.m. and 10:00 a.m. during the winter months (unless the temperature during those times is below freezing, then there is no time-of-day restriction) and between the hours of 8:00 p.m. and 7:00 a.m. during the summer months.

b. properties with even number street addresses, parks, and public right of ways, only on Sunday, Tuesday, and Thursday between the hours of 6:00 p.m. and 10:00 a.m. during the winter months (unless the temperature during those times is below freezing, then there is no time-of-day restriction) and between the hours of 8:00 p.m. and 7:00 a.m. during the summer months.

c. all watering and irrigation during days and times not listed in Section 9.C.ii.a. and Section 9.C.ii.b. is prohibited.

iii. Notwithstanding the provisions of Section 9.C.ii. hereof, the use of graywater to irrigate fruit trees, lawns and ground covers, and ornamental trees and shrubs is permitted on any day and at any time; provided, however, graywater may only be used in accordance with Kern County Health Department regulations.

iv. Irrigation timers shall be adjusted to comply with the provisions of Section 9.C.ii. hereof.

v. The washing of automobiles, trucks, trailers, boats, airplanes, and other types of mobile equipment is permitted with a hand-held bucket or a hand-held hose equipped with an automatic, positive shut-off nozzle for quick rinses, only between the hours of 5:00 p.m. and 8:00 a.m. (unless the temperature during those times is below freezing, then there is no time-of-day restriction), Sunday through Saturday. Washing is permitted at any time on the immediate premises of a commercial car wash. The use of water by all types of commercial car washes not using partially reclaimed or recycled water shall be reduced in volume by an amount determined by the Board of Directors. Further, such washings are exempt from these regulations where the health, safety, and welfare of the public is contingent upon frequent vehicle cleanings, such as garbage trucks and vehicles used to transport food and perishables.

vi. The overfilling of swimming pools and spas is prohibited. The filling or refilling of ponds, streams, and artificial lakes is prohibited.

vii. The operation of any ornamental fountain or similar structure is prohibited except for short periods of time to prevent damage.

Section 10. Water Conservation Stage 4 - Severe Water Shortage.

A. Water Conservation Stage 4 is also referred to as a “Severe Water Shortage” and applies during periods when the District will not be able to meet all of the water demands of its customers. Water Conservation Stage 4 may be caused by, but is not limited to, any or all of the following circumstances or events:

- i. a regional or statewide water supply shortage exists and a regional public outreach campaign is being implemented asking or requiring persons to reduce water use;
- ii. groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);
- iii. alternative water supplies are limited or unavailable;
- iv. groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional Water Quality Control Board, Kern County, or some other regulatory body; and
- v. a major failure of any supply or distribution facility, whether temporary or permanent, occurs in the water distribution system of the State, the Antelope Valley East Kern Water Agency, or District water facilities.

B. The objective of the measures undertaken in Water Conservation Stage 4 is to reduce water consumption within the District by 20% to 40%.

C. Except as otherwise provided in this Section 10, all water conservation and drought response measures of Water Conservation Stages 1, 2 and 3 shall be in full force and effect during Water Conservation Stage 4. Upon declaration of a Water Conservation Stage 4 by the Board of Directors, implementation by the District and publication of notice, the following water conservation and drought response measures shall apply:

- i. Water customers shall reduce their water consumption by 20% to 40% from the Base Year Consumption Amount for the duration of Water Conservation Stage 4; provided, however, the Base Year Consumption Amount for subsequent fiscal years shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage 4 for more than 12 months.

- ii. Irrigation of landscaping shall be limited to supporting minimal survival of trees and shrubs. Overhead Irrigation may be used to water landscaping, including construction meter irrigation, for a maximum of 6 minutes per station in the morning and 6 minutes per station in the evening, with a maximum of 12 minutes per day. Drippers have no per station time limit, but are restricted to the MAWA, and may not cause unreasonable pooling or runoff. All irrigation and watering can only occur during the following designated hours and days:

- a. properties with odd number street addresses, parks, and public right of ways may irrigate landscaping only on Saturdays and Wednesdays between the hours of 6:00 p.m. and 10:00 a.m. during the winter months (unless the temperature during those times is below freezing, then there is no time-of-day restriction), and between the hours of 8:00 p.m. and 7:00 a.m. during the summer months.

- b. properties with even number street addresses, parks, and public right of ways may irrigate landscaping only on Sundays and Thursdays between the hours

of 6:00 p.m. and 10:00 a.m. during the winter months (unless the temperature during those times is below freezing, then there is no time-of-day restriction), and between the hours of 8:00 p.m. and 7:00 a.m. during the summer months.

c. all watering and irrigation during days and times not listed in Section 10.C.ii.a. and Section 10.C.ii.b. is prohibited.

iii. Notwithstanding the provisions of Section 10.C.ii. hereof, the use of graywater to irrigate fruit trees, lawns and ground covers, and ornamental trees and shrubs is permitted on any day and at any time; provided, however, graywater may only be used in accordance with Kern County Health Department regulations.

iv. All outdoor watering and irrigation of lawns and ground covers is prohibited with the exception of plant materials classified and determined by the District General Manager to be rare, exceptionally valuable, or essential to the well being of the public at large or rare animals.

v. The washing of automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment is prohibited. Washing is permitted at any time on the immediate premises of a commercial car wash. Commercial car washes shall only use partially reclaimed or recycled water for washing automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment. Further, such washings are exempt from these regulations where the health, safety and welfare of the public is contingent upon frequent vehicle cleanings, such as garbage trucks and vehicles used to transport food and perishables.

vi. The filling, refilling, or adding of water to swimming pools, spas, ponds, streams, and artificial lakes is prohibited.

vii. The operation of any ornamental fountain, pond, or similar structure is prohibited except for short periods of time to prevent damage.

viii. The use of water for cooling mists is prohibited.

ix. The use of water for commercial, manufacturing, or processing purposes shall be reduced in volume by an amount determined by the Board of Directors.

x. Provided the Board of Directors has declared a water shortage emergency pursuant to California Government code section 350 *et seq.*, no new construction meters will be issued. Construction water shall not be used for earth work, road construction purposes, dust control, compaction, or trenching jetting. Construction projects necessary to maintaining the health, safety, and welfare of the public are exempt from these regulations.

xi. Provided the Board of Directors has declared a water shortage emergency pursuant to California Water Code sections 350 *et seq.*, except as to property for which a building permit has been heretofore issued, no new meter(s) will be installed, except in the following circumstances:

a. for projects necessary to protect the public's health, safety,

and welfare;

- b. when using reclaimed water;
- c. when the recipient of the building permit can demonstrate that no net increase in water use will occur; or
- d. where the recipient of the building permit provides a conservation offset. For purposes of this Section 10.C.xi.d., “conservation offset” shall mean the implementation of proven conservation techniques which, when installed, will result in a reduction equal to demand of the proposed use. A conservation offset may be effected by paying a fee established by the District in an amount necessary to cover the cost of implementing such conservation techniques or acquiring alternative water sources. The fee will be based on the conservation offset required for an equivalent dwelling unit. Such fee shall apply to residential as well as commercial and industrial buildings, and may be adjusted from time to time as determined by the District.

xii. All irrigation timers shall be adjusted to comply with the provisions of Section 10.C.ii..

Section 11. Water Conservation Stage 5 - Critical Water Shortage.

A. Water Conservation Stage 5 is also referred to as a “Critical Water Shortage” and applies during periods when the District will not be able to meet all of the water demands of its customers. Water Conservation Stage 5 may be caused by, but is not limited to, any or all of the following circumstances or events:

- i. a regional or statewide water supply shortage exists and a regional public outreach campaign is being implemented asking or requiring all persons to reduce water use;
- ii. groundwater wells are inoperable or unusable (such as by power outages, mechanical failure, or contamination);
- iii. alternative water supplies are limited or unavailable;
- iv. groundwater levels or groundwater quality is approaching levels which may require augmentation of the groundwater basin or other actions necessary to protect the groundwater basin as prescribed by the California Department of Water Resources, the Regional Water Quality Control Board, Kern County, or some other regulatory body;
- v. a major failure of any supply or distribution facility, whether temporary or permanent, occurs in the water distribution system of the State, the Antelope Valley East Kern Water Agency, or District water facilities and the District cannot meet all of the water demands of its customers.

B. The objective of the measures undertaken in Water Conservation Stage 5 is to reduce water consumption by 40% or more.

C. Except as otherwise provided in this Section 11, all water conservation and drought response measures of Water Conservation Stages 1, 2, 3, and 4 shall be in full force and effect during Water Conservation Stage 5. Upon declaration of a Water Conservation Stage 5 by the Board of Directors, implementation by the District and publication of notice, the following water conservation and drought response measures shall apply:

i. Water customers shall reduce their water consumption by 40% or more from the Base Year Consumption Amount for the duration of Water Conservation Stage 5; provided, however, the Base Year Consumption Amount for subsequent fiscal years shall be determined by the District as appropriate in the event that the District is required to continue Water Conservation Stage 5 for more than twelve months.

ii. All outdoor watering and irrigation of lawns and ground cover, and landscaping shall be prohibited, with the exception of the use of graywater to irrigate fruit trees, lawns and ground covers, and ornamental trees and shrubs, which is permitted on any day and at any time. Provided, however, graywater may only be used in accordance with Kern County Health Department regulations.

iii. Provided the Board of Directors has declared a water shortage emergency pursuant to California Water Code sections 350 *et seq.*, the District shall not allow any new connections to the water system during Water Conservation Stage 5.

Section 12. Conflicting Provisions. If provisions of this Ordinance are in conflict with each other, other rules and regulations of the District, any other resolution or ordinance of the District, or any State law or regulation, the more restrictive provisions shall apply.

Section 13. Incorporation of Exhibit. The Rules and Regulations attached hereto as Exhibit A are incorporated herein.

Section 14. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance, including Exhibit A, is held for any reason to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The Board of Directors of the District hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

Section 15. Recitals. The recitals are true, correct and constitute a substantive part of this ordinance.

Section 16. Effective Date. The President of the Board of Directors shall sign and the Secretary shall certify to the passage and adoption of this Ordinance and shall cause the same to be published and posted pursuant to the provisions of law in that regard and this Ordinance shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED this [redacted] day of [redacted] 2016 by the following vote:

AYES:
NOES:
ABSTAIN:

President of the Board of Directors,
Rosamond Community Services District

ATTEST:

Secretary of the Board of Directors,
Rosamond Community Services District

EXHIBIT A

WATER CONSERVATION (NO WASTE) PROGRAM

RULES AND REGULATIONS

Section 1. Mandatory Conservation Stage Implementation.

(A) The District General Manager, or his or her designee, shall monitor the projected supply and demand for water by water customers on a daily basis during periods of a water shortage or drought and shall recommend to the Board of Directors the extent of the conservation required through the implementation and/or termination of particular water conservation stages to prudently plan and supply water to water customers. Thereafter, the Board of Directors may order the implementation or termination of the appropriate water conservation stage.

(B) The declaration of any water conservation stage beyond Water Conservation Stage 1 shall be made by resolution of the Board of Directors. Within ten (10) days of the adoption of the resolution declaring the applicable Water Conservation Stage, the District shall make a public announcement of the applicable Water Conservation Stage, which shall be published a minimum of three (3) times for three (3) consecutive weeks. Three publications in a newspaper regularly published once a week or oftener, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. Such declaration and notice shall provide the extent, terms, and conditions respecting the use and consumption of water in accordance with the applicable water conservation stage as provided in this ordinance. Upon such declaration and publication of such notice, due and proper notice shall be deemed to have been given each and every person supplied water within the District. The water conservation stage designated shall become effective immediately upon announcement.

(C) The declaration of a water shortage emergency during any water conservation stage shall be made in accordance with California Water Code sections 350 *et seq.*

Section 2. Violations and remedies.

(A) It shall be unlawful for any person to willfully violate the provisions of this ordinance. Any violation of the provisions of this ordinance shall be a misdemeanor subject to imprisonment in the county jail for not more than thirty (30) days or by fine not to exceed \$1,000, or by both as provided in California Water Code section 377.

(B) Upon conviction of a misdemeanor for violating any provision of this ordinance, a person shall be subject to payment of a fine, imprisonment or both, not to exceed the limits set forth by law.

(C) Upon conviction of an infraction for violating any provision of this ordinance, a person shall be subject to payment of a fine, not to exceed the limits set forth by law.

(D) In addition to criminal penalties, any conditions caused or permitted to exist in violation of any of the provisions of this ordinance is a threat to the public health, safety, and welfare and may be declared and deemed, after an administrative hearing, to be a public nuisance which may be summarily abated. The cost of such abatement shall be borne by the property owner of the premises and the cost thereof may be imposed as a lien upon and against the premises, and as such lien shall continue in existence until the same shall be paid.

(E) In addition to any other remedies provided in this ordinance or available under applicable law, the District can alternatively seek injunctive relief in the Superior Court or take enforcement action, including discontinuing or appropriately limiting water service to any customer, against any person who violates any provision of this ordinance through one or any combination of the administrative enforcement options set forth in this ordinance.

(E) All remedies provided herein shall be cumulative and not exclusive.

Section 3. Notice of violation.

(A) The District General Manager or his or her designee may serve a notice of violation onto the property owner and/or occupant of any property, and/or any other person responsible for a violation of this ordinance. The notice of violation shall:

(1) identify the provision(s) of this ordinance and any State law, if applicable, alleged to have been violated; and

(2) state that continued noncompliance may result in civil, criminal, or administrative enforcement actions against the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and

(3) state a compliance date that must be met by the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and

(4) order remediation work, where applicable, that must be taken by the property owner and/or occupant of the property.

(B) The notice of violation may include, where deemed applicable by the District General Manager or his or her designee, the following terms and conditions:

(1) specific steps or actions and time schedules for compliance as reasonable necessary to prevent future violations of this ordinance; and

(2) specific steps or actions and time schedules for compliance as necessary to prevent further violations; and

(3) any other terms, conditions, or requirements reasonably calculated to prevent continued or threatened future violations of this ordinance, including, but not limited to, discontinuing or limiting water service with the installation of a flow restricting device.

(C) In addition to or in conjunction with the notice of violation, for a first violation of any provision of this ordinance, within two weeks of the violation:

(1) the District may provide notice to the property owner or occupant of the property where the violation occurred to advise such person of:

(a) the water conservation stage then in effect and the provisions of this ordinance relating thereto;

(b) water conservation and drought response measures that are required and may be implemented pursuant to this ordinance;

(c) possible consequences and actions which may be taken by the District for future violations of this ordinance, including discontinuance of water service;

(d) penalties that may be imposed for the specific violation and any future violations of this ordinance; and

(2) if the District General Manager or his or her designee deems it to be appropriate, the District may order the installation of a flow-restricting device on the service line for any person who violates any term or provision of this ordinance.

(F) In addition to or in conjunction with the notice of violation, for a second or any subsequent violation of this ordinance, within two weeks of the violation:

(1) the District may provide notice to the property where the violation occurred to notify the property owner or occupant of the property where the violation occurred to advise such person of:

(a) the water conservation stage then in effect and the provisions of this ordinance relating thereto;

(b) the water conservation and drought response measures that are required and may be implemented by such person; and

(c) possible consequences which may occur in the event of any future violations of this ordinance;

(2) if the District General Manager or his or her designee deems it to be appropriate, the District may order the installation of a flow-restricting device on the service line for any person who violates any term or provision of this ordinance;

(3) if the District General Manager or his or her designee deems it to be appropriate, the District may discontinue water service at the location where the violation occurred.

(G) The District may, after one written notice of violation, order that a special meter reading or readings be made in order to ascertain whether wasteful or unreasonable use of water is occurring. The District may impose a meter reading fee for each meter reading it conducts pursuant to this ordinance.

Section 4. Cease and desist order.

(A) The District General Manager or his or her designee may issue a cease and desist order directing the property owner, or occupant, or other person in charge of day-to-day operations of any property, and/or any other person responsible for a violation of this ordinance to:

(1) immediately discontinue any prohibited use of water pursuant to this ordinance;

(2) immediately cease any activity not in compliance with the terms, conditions, and requirements of this ordinance.

Section 5. Administrative compliance order and penalties

(A) Separate from, in addition to, or in combination with a notice of violation or cease and desist order, the District General Manager or his or her designee may issue an administrative compliance order against the property owner and/or occupant of the property where a violation of this ordinance occurred and/or any other person responsible for a violation of this ordinance who violates any provision of this ordinance. Issuance of a notice of violation or a cease and desist order is not a prerequisite to the issuance of an administrative compliance order. The administrative compliance order shall allege the act(s) or failure(s) to act that constitute violations of this ordinance and shall set forth the penalty for the violation.

(B) The District General Manager or his or her designee may impose the following monetary penalties, in addition to other appropriate action requirements:

(1) An amount that shall not exceed one hundred dollars (\$100.00) for each day a person fails or refuses to timely comply with a notice of violation or cease and desist order required by the District General Manager or his or her designee or this ordinance.

(2) An amount that shall not exceed one thousand dollars (\$1,000.00) per day for each day on which a person violates any provision of this ordinance. Unless timely

appealed, an administrative compliance order shall be effective and final as of the date it is issued by the District General Manager or his or her designee.

(C) The amount of any penalties imposed pursuant to this Section 15 which have remained delinquent for a period of sixty (60) days shall constitute a lien against the real property of the person violating this ordinance. The lien provided herein shall have no force and effect until recorded with the Kern County Recorder and when recorded shall have the force and effect and priority of a judgment lien and continue for ten (10) years from the time of recording unless sooner released, and shall be renewable in accordance with the provisions of Sections 683.110 to 683.220, inclusive, of the California Code of Civil Procedure.

(C) All moneys collected under this Section 15 shall be deposited in a special account of the District and shall be made available for enforcement of this ordinance.

(D) The District may, at its option, elect to petition the Superior Court to confirm any order establishing administrative penalties and enter judgment in conformity therewith in accordance with the provisions of Sections 1285 to 1287.6, inclusive, of the California Code of Civil Procedure.

Section 6. Separate Offenses.

A person shall be deemed guilty of a separate offense for each and every day or portion thereof during which any violation of any provision of this ordinance is committed, continued, or permitted.

Section 7. Civil actions.

(A) In addition to any other remedies provided in this ordinance, any violation of this ordinance may be enforced by civil action brought by the District.

(B) In any such action, the District may seek, and the court may grant, as appropriate, any or all of the following remedies:

(1) a temporary and/or permanent injunction;

(2) assessment of the violator for the costs of any investigation which led to the establishment of the violation and for the reasonable costs of preparing and bringing legal action under this ordinance;

(3) any other costs incurred in enforcing the provisions of this ordinance.

(c) Assessments under this subsection shall be paid to the District to be used exclusively for costs associated with implementing or enforcing the water conservation and regulatory provisions of this ordinance.

Section 8. Recovery of costs.

(A) The District General Manager or his or her designee shall serve an invoice for costs upon the property owner and/or occupant of any property, or any other responsible person who is subject to a notice of violation, a cease and desist order, or an administrative compliance order. An invoice for costs shall be immediately due and payable to the District. If any property owner or person in charge of day-to-day operations, customer, or responsible party, or any other person fails to either pay the invoice for costs or appeal successfully the invoice for costs in accordance with this ordinance, then the District may institute collection proceedings. The invoice for costs may include reasonable attorneys' fees.

(B) The District shall impose any other penalties or regulatory fees, as fixed from time to time by the Board of Directors, for a violation or enforcement of this ordinance.

(C) In order to recover the costs of the water conservation regulatory program set forth in this ordinance, the Board of Directors may, from time to time, fix and impose fees and charges. The District fees and charges may include, but are not limited to fee and charges for:

(1) any visits of a enforcement officer or other District staff for time incurred for meter reading, follow-up visits, or the installation or removal of a flow-restricting device;

(2) monitoring, inspection, and surveillance procedures pertaining to enforcement of this ordinance;

(3) enforcing compliance with any term or provision of this ordinance;

(4) reinitiating service at a property where service has been discontinued pursuant to this ordinance;

(5) processing any fees necessary to carry out the provisions of this ordinance.

Section 9. Notices.

(A) Any notice, notice of violation, cease and desist order, and administrative compliance order shall be served pursuant to the requirements of this ordinance and shall:

(1) state that the recipient has a right to appeal the matter as set forth in this ordinance;

(2) include the address of the affected property and be addressed to the property owner as shown on the most recently issued equalized assessment roll or as may otherwise appear in the current records of the District. If the order applies to a responsible party

who is not the owner of the property or if the event is not related to a specific property, the notice may be sent to the last known address of the responsible party; and

(3) be deemed served ten (10) business days after posting on the property, if the property owner or occupant of the affected property cannot be located after the reasonable efforts of the District General Manager or his or her designee.

(B) Any notice of violation, cease and desist order, and administrative compliance order may be sent by regular mail. Service by regular mail is effective on the date of mailing.

Section 10. Appeals.

Any person subject to a notice of violation, cease and desist order, or administrative compliance order aggrieved by the issuance of an order may appeal from the issuance thereof to a hearing officer in accordance with the appeal procedures of the District **[are there any such appeal procedures?]** of this Code except that any such appeal shall be filed within fifteen (15) days of the date of service of the notice of violation, cease and desist order, or administrative compliance order by the District General Manager or his or her designee upon the appealing party.

Section 11. Relief from compliance.

Consideration of written applications for relief from compliance (“relief”) regarding the regulations and restrictions on water use set forth in this ordinance may be made by the District.

(A) Written applications for relief shall be accepted, and may be granted or denied, by the General Manager (the “approving authority”), at his or her sole discretion, or by his or her designee at his or her sole discretion. The application shall be in a form prescribed by the District and shall be accompanied by a non-refundable processing fee in an amount as determined by the Board of Directors for the purpose of defraying the costs incidental to the proceedings.

(B) The grounds for granting or conditionally granting relief are:

(1) due to unique circumstances, a specific requirement of this ordinance would result in undue hardship to a person using District water or to property upon which District water is used, that is disproportionate to the impacts to other District water users generally or to similar property or classes of water users; or

(2) failure to grant relief would adversely affect the health, sanitation, fire protection, or safety of the applicant or the public.

(C) The application for relief shall be accompanied, as appropriate, with photographs, maps, drawings, and other information substantiating the applicant's request, including a statement of the applicant.

(D) An application for relief shall be denied unless the approving authority finds, based on the information provided in the application, supporting documentation, or such other additional information as may be requested, and on water use information for the property as shown by the records of the District, all of the following:

(1) That the relief does not constitute a grant of special privilege inconsistent with the limitations upon other District customers.

(2) That because of special circumstances applicable to the property or its use, the strict application of this ordinance would have a disproportionate impact on: (a) the property or use that exceeds that customers generally; or (b) the applicant's health that exceeds customers generally.

(3) That the authorization of such relief will not be of substantial detriment to adjacent properties, and will not materially affect the ability of the District to effectuate the purposes of this ordinance and will not be detrimental to the public interest.

(4) That the condition or situation of: (a) the subject property or the intended use of the property for which the relief is sought is not common, recurrent, or general in nature; or (b) the applicant's health or safety is not common, recurrent, or general in nature.

(E) The denial or grant of a relief shall be acted upon within fifteen (15) days of the submittal of the complete application, including any photographs, maps, drawings, and other information substantiating the applicant's request and the statement of the applicant. The application may be approved, conditionally approved, or denied. The decision of the approving authority shall be prepared in writing, include terms and conditions, if any, and promptly sent to the applicant.

(F) The denial of a request for relief may be appealed in writing to the Secretary of the Board. An appeal shall be made in accordance with the following procedures:

(1) The person appealing the denial of the request for relief ("appellant") shall complete and submit in writing a form provided by the District for such purpose and shall state in such form the grounds for his or her appeal. All appeals shall be submitted to the Secretary of the Board within thirty (7) calendar days of the date of the notice of the denial of the request for relief.

(2) The General Manager, or his or her designee, shall review the appeal and any related information provided, and, if necessary, cause an investigation and report to be made concerning the request for relief. The General Manager, or his or her designee, shall have fifteen (15) calendar days from the submission of the appeal to render a decision on whether to grant the appeal and mail notice thereof to the appellant. If the General Manager, or his or her designee, grants the appeal and determines that the request for a relief shall be granted,

then within fifteen (15) calendar days of such determination the General Manager, or his or her designee, shall give written notice thereof.

(3) The decision of the General Manager, or his or her designee, may be appealed by the appellant to the Board of Directors. Such appeal must be submitted in writing and filed with the District Secretary within fifteen (15) calendar days of the date of decision of the General Manager, or his or her designee. The Board of Directors shall conduct a hearing on such appeal at its next regularly scheduled Board of Directors meeting; provided, however, the Board of Directors shall have received the notice of appeal at least fifteen (15) calendar days prior to such meeting. If the appeal is not submitted within at least fifteen (15) calendar days prior to a regularly scheduled Board of Directors meeting, then the hearing shall be held at the following regularly scheduled Board of Directors meeting. A notice of the hearing shall be mailed to the appellant at least ten (10) calendar days before the date fixed for the hearing. The Board of Directors shall review the appeal de novo. The determination of the Board of Directors shall be conclusive and shall constitute a final order. Notice of the determination by the Board of Directors shall be mailed to the appellant within ten (10) calendar days of such determination and shall indicate whether the appeal has been granted in whole or in part and set forth the terms and conditions of the relief, if any, granted to the appellant. If the appeal is denied, the appellant shall comply with all terms and conditions of this ordinance and the applicable water conservation stage then in effect.

(4) Until the conclusion of the appeal process, all provisions and decisions under appeal shall remain in full force and effect until the conclusion of the appeal process.

Section 12. Conflicting Provisions.

If provisions of this ordinance are in conflict with each other, other rules and regulations of the District, any other resolution or ordinance of the District, or any State law or regulation, the more restrictive provisions shall apply.

Section 13. Severability.

If any provision, section, subsection, sentence, clause or phrase or sections of this ordinance, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the invalidity of the remaining portions of sections of this ordinance shall not be affected, it being the intent of the Board of Directors in adopting this ordinance that no portions, provisions, or regulations contained herein shall become inoperative, or fail by reason of the unconstitutionality of any other provision hereof, and all provisions of this ordinance are declared to be severable for that purpose.

**ROSAMOND COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2016-19**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
ROSAMOND COMMUNITY SERVICES DISTRICT
AMENDING POLICY NUMBERS 7024 AND 7030 OF
THE ADMINISTRATIVE HANDBOOK**

WHEREAS, the Rosamond Community Services District (“District”) is a public agency of the State of California formed under the Community Services District Law (Government Code Section 61000, *et seq.*); and

WHEREAS, the Board of Directors of the Rosamond Community Services District (“Board of Directors”) is authorized by California Government Code Section 61060 to establish rules and regulations for the administration, operation, and use and maintenance of the District’s facilities and services; and

WHEREAS, the Board of Directors is authorized by Government Code Section 61115 to prescribe and collect charges for any services rendered or facilities provided by the District; and

WHEREAS, the Board of Directors adopted a handbook of administrative policies on February 12, 2014 via Resolution No. 2014-1 (the “Administrative Handbook”) and has periodically made revisions thereto; and

WHEREAS, Section 7024 of the Administrative Handbook sets forth the District’s policy for hiring volunteers and includes a “Volunteer Application Form” and “Supplemental Questionnaire” related thereto; and

WHEREAS, Section 7030 of the Administrative Handbook sets forth the District’s policy for charging fees for public use of the District’s facilities and a list of particular User Fees established by the Board of Directors (“User Fee Schedule”); and

WHEREAS, the District desires to amend Policy No. 7024 of the Administrative Handbook to improve uniformity and clarity; and

WHEREAS, the District desires to amend Policy No. 7030 of the Administrative Handbook to revise the User Fee Schedule and improve uniformity and clarity.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rosamond Community Services District as follows:

Section 1. Amendment of Policy Number 7024. The Board of Directors hereby removes the Volunteer Application Form and Supplemental Questionnaire from Policy Number 7024 of the Administrative Handbook. Except as specifically set forth in this Resolution, all other provisions of the Administrative Handbook shall remain in full force and effect and shall not be altered by this Resolution.

Section 2. Amendment of Policy Number 7030. The Board of Directors hereby adopts the User Fee Schedule attached hereto as **Exhibit “A”** and incorporated herein by this

reference. The User Fee Schedule in Exhibit “A” shall replace and supersede the previously adopted User Fee Schedule set forth in Policy Number 7030 of the Administrative Handbook. The User Fee Schedule shall be removed Policy Number 7030 from the Administrative Handbook. Except as specifically set forth in this Resolution, all other provisions of the Administrative Handbook shall remain in full force and effect and shall not be altered by this Resolution.

Section 3. Conflicts. To the extent there is any express or implied conflict between the Administrative Handbook and the Employee Handbook, the language of the Administrative Handbook shall take precedence in resolving the conflict.

Section 4. Effective Date: This Resolution shall become effective as of the date of adoption.

Section 5. Severability: If any section, subsection, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

Section 6. Incorporation of Recitals: The Recitals set forth above are incorporated herein and made an operative part of this Resolution by this reference.

PASSED, APPROVED AND ADOPTED by the Rosamond Community Services District Board of Directors, at a meeting held on this 19th day of April, 2016.

President, Board of Directors
Rosamond Community Services
District

ATTEST:

Secretary, Board of Directors
Rosamond Community Services District

EXHIBIT "A"

RCSD Fees

Categories:

A = Non Profit & Government agencies

B = For Profit & Private

* Requires \$1 million Liability Insurance

RCSD

	Category A	Category B	Categories A & B
Conference Room 2 hr. min (Includes 1 table & 12 chairs)*	\$55 per hr.	\$75 per hr.	\$40 each additional hr.
Kitchenette (for warming purposes only, not cooking)*	\$20 per hr.	\$25 per hr.	\$15 each additional hr.

Tennis Courts

Lights	\$37 per court/hr.	\$41 per court/hr.	
Tournament Play	\$41 per team/court/hr.	\$45 per team/court/hr.	

Basketball courts

Tournament Play	\$25 per team/hr.	\$25 per team/hr.	
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Parks

Grass Area (negotiated % if there is an admission charge and % of gross vendor sales)	\$40 per hr.	\$50 per hr.	\$50 each additional hr.
Parking lot			
1st space	\$20	\$20	\$10 each additional space
Exclusive use (1-20 spaces)	\$175	\$175	
Exclusive use (1-50 spaces)	\$350	\$350	

Pool

Public Swim Fees

Adult Fee (17 + yrs.)	\$2.50	\$2.50	
Teen Fee (13 yrs. - 16 yrs.)	\$2.00	\$2.00	
Child Day Fee (4 yrs. - 12 yrs.)	\$1.50	\$1.50	
Senior Day Fee (55 + yrs.)	\$1.50	\$1.50	
Infant (3 yrs. and under)	No charge	No charge	
ADA Assistant	No charge	No charge	

30 Punch Swim Pass

Adult (17+ yrs.) 30 visit Punch Card	\$50	\$50	
Senior (55+ yrs.)30 visit Punch Card	\$40	\$50	
Child (4-12 yrs.) 30 visit Punch Card	\$40	\$50	
Teen (13 yrs. – 16 yrs.)	\$45	\$45	
Group Swim Lessons (Eight- 30 minute sessions)	\$50	\$50	\$5 discount per additional child
Private Swim Lessons (Eight-30 minute sessions)	\$145	\$145	
Private Rental (2 hr. minimum over 51 people)*	\$150 per hr.	\$150 per hr.	\$100 each additional hour

Parks and Recreation Classes

Refer to Cost Recovery Policy

Refer to Cost Recovery Policy

Independent Contractor Classes

Fee set by instructor

Fee set by instructor

Custodial Fee

Actual Cost

Actual Cost

Excursions

Direct cost plus 30% for indirect costs

Direct cost plus 30% for indirect costs

Returned Check Charge

\$25

\$25

Administration Processing Fee

\$5

\$5

Late Fee per installment

\$20

\$20

Refundable Security Deposit

Pool	\$200	\$200
Community Center	\$100	\$100
RCSD Conference Room	\$200	\$200

Non-refundable application fee

Park Reservations	\$25	\$25
Pool Reservations	\$25	\$25
RCSD Conference Room Reservation	\$25	\$25

Cancellation Fee

\$50 or 20% of fees,
whichever is greater

\$50 or 20% of fees,
whichever is greater

Community Center*

1 Room will accommodate 50
people. (does not include tables
and chairs)*

\$35 per hr.

\$35 per hr.

\$20 each additional hr.

2 tables and 12 chairs

\$10 per hr.

\$10 per hr.



Consulting
Engineers and
Scientists



Sewer and Water Utility Rate Analysis

Rosamond Community Services District

Submitted to:

Rosamond Community Services District
3179 35th Street West
Rosamond, CA 93560

Submitted by:

GEI Consultants, Inc.
101 North Brand Blvd, Suite 1780
Glendale, CA 91203

April 19, 2016

Project No. 1509840

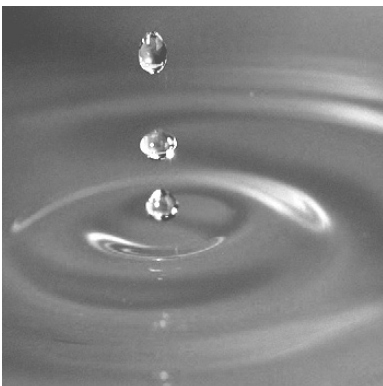


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Appendix A: 2015 RCSD Audit

Appendix B: 2016 RCSD Budget

1. Executive Summary

Rosamond Community Services District (“RCSD” or “District”) contracted with GEI to perform a comprehensive analysis of utility rates for both its water and sewer funds. The analysis considers customer types and usages, and projected future expenses, to develop recommended rate structures that will cover expenses and that will distribute the burden of cost proportionately to the cost of providing service. This analysis provides the District with recommended rate structures that will meet the requirements of California Proposition 218 and the California Constitution.

The last Water and Sewer Rate Study was completed in 2009. Significant changes have occurred since the last study which have impacted RCSD’s cost to provide water and sewer service to its customers. These changes include the following:

- Adjudication of the Antelope Valley Groundwater Basin, which will result in a court mandated precipitous ramp down of the District’s groundwater pumping allowances from 2885 acre-feet/year (afy) to 404 afy. This reduction in groundwater pumping will be offset by costly imported water from the State Water Project.
- The need to establish a fund for groundwater banking to meet RCSD’s water demands during dry years.
- Incorporating new Capital Improvement & Replacement program into rates for the study period.
- New requirements for Chromium 6 which may require blending with purchased (imported) water.

The impact of these changes has been projected based on the best information available, however if the variables involved in these changes are significantly different from the assumptions in the study, it would be prudent to revisit the rates before the next 5-year period has expired.

Certain other agencies are able to impose cost increases upon RCSD with short notice. Since these costs are outside the control of RCSD, it is difficult or impossible for RCSD to include the cost increases in a multi-year rate study. RCSD does not want to overestimate future costs as this may unnecessarily raise rates. State Law (AB3030) allows for a remedy for this situation. RCSD will create and authorize a Pass-Through Charge when the multi-year rate study is implemented. RCSD will inform customers about the Pass-Through Charge and what conditions will necessitate the charge being billed to customers.

GEI has not had independent review of this study performed by any Certified Public Accountant nor Attorney. While the model of expenses and revenues were performed with engineering principles, we expect that both the District’s financial advisor and legal advisor will provide a review of any proposed rate increases before putting them into effect.

2. Introduction

2.1 Background

RCSD is a special District located in southeast Kern County, California that was created in 1966 by a vote of the citizens of the Rosamond community to provide water and street lighting services. In 1998 voters added graffiti abatement and parks and recreation to the District's services, and in 2009, RCSD constructed a wastewater collection system and treatment plant and began providing sewer service. As of its most recent budget, the District served an approximate population of 19,400 people. The water and sewer systems are operated as separate utilities with separate enterprise funds.

The District serves approximately 5,000 sewer and water customers. In 2014, the District's customers consumed approximately 2,540 acre-feet of water, which follows a general downward trend aligned with conservation efforts and increased water costs. In 2009, prior to the institution of new rates, that consumption was approximately 3,100 acre-feet.

As mentioned in the Executive Summary, a number of factors will increase the District's cost to provide water service to its customers. The most significant contributor is the adjudication of the Antelope Valley Groundwater Basin. Groundwater is RCSD's lowest-cost water supply, which will be substantially reduced due to "rampdown" of the District's groundwater production rights, forcing the District to use more costly sources of supply.

The cost to provide sewer service to RCSD's customers has been relatively stable over the past five years, and is anticipated to remain stable over the next five years, with moderate increases due to inflation.

This rate study includes recommendations to allocate rates based on the reasonable cost to serve each customer in the system, as required by California State Law.

2.2 General Rate Policies

The rates being put forth in this study have been developed using a cost-of-service model. These costs were broken down into fixed costs to operate and maintain the water and sewer system, the fixed costs to provide water to individual customers, and the variable costs of providing quantities of water to (and accommodating sewage flows of) each user.

2.3 Financial Reserves

Currently, District policy recommends the set aside of reserves for four major categories, which are:

- General operating reserves for unexpected loss, or to demonstrate fiscal strength for financing, etc. Since 2009, sufficient revenues have not been available to fund this reserve.
- Capital reserves for capital improvements and emergency maintenance. This fund was started in fiscal year 2014/2015 and continues to grow as a percentage of depreciation, annually.
- Rate stabilization reserve to avoid large disruptions to rates due to large increases in the cost of service. To date, sufficient revenues have not been available to fund this reserve.
- Debt reserve fund required by most long term debt, to provide a reserve that will ensure payment

Reserves for these funds have been included within the proposed 2015 budget, and are reflected in the costs of service used to calculate rates.

2.4 Inflation

An inflation rate of 3% was used in this study to project increases in most cost categories of the systems for future years. This number is intended to cover the increased costs of materials, personnel, administration, and other similar costs. Electric prices and purchased (imported) water costs were inflated at 8% per year, which reflects the trend in price increases for these items over the last several years. The Antelope Valley East Kern Water Agency (AVEK), which imports water to the region from the State Water Project (SWP) has seen a year over year increase in pricing averaging 7.4% from 2012 to 2016, with the most recent pricing going up by 8%. AVEK also projected future increases to be around 8% annually over the next several years.

2.5 Population Changes

In reviewing customer data for both the water and sewer customers, RCSD has seen an increase of approximately 80 customers per year for both systems. This represents an approximate 1.6% year over year increase in the population served. Over that same time period, water usage has decreased or remained relatively flat, even with the increase in users.

It is difficult to determine the exact reason for the reduction in demand, which may be attributable to permanent changes in water use behavior or to temporary conservation measures due to State mandates related to the current drought. For the purposes of the model, the same 1.6% increase in population was used for the recommended scenario, along with a corresponding 1.6% increase in customer water use. Additional alternative scenarios were evaluated with varying population and demand projections to illustrate the “worst case” possibilities and determine their effect on net revenue. The results are discussed later in this report.

3. Water System

3.1 Water Supply

RCSD’s current water supply comes from local groundwater. The District also has the option to purchase imported State Water Project (SWP) water from AVEK. Currently, RCSD has the capability to pump groundwater without restriction. However, due to the recent adjudication, RCSD’s groundwater pumping allowance will be significantly reduced in comparison to its consumption requirements, and as such, it will have to purchase a significant amount of water from AVEK in the future. The adjudication takes effect with 2016 considered the first year, and with subsequent “rampdowns” of RCSD’s groundwater production rights occurring from 2018 to 2022. RCSD’s anticipated groundwater production rights for the following 7 years are reflected in the table below:

Table 3.1.1: Allowable Pumping Volumes

Annual Pumping Allowance by Adjudication								
Year	2015	2016	2017	2018	2019	2020	2021	2022
Allowable Pumping Rate (AF)	2,885	2,885	2,885	2,389	1,893	1,397	901	404

RCSD has historically budgeted each year for groundwater banking to increase water reliability. The District has an agreement in place with the Semitopic-Rosamond Water Bank Authority to provide “First Priority Right” to specific interests in the stored water recovery unit, as well as rights in Willow Springs Water Bank for delivery, storage, and recovery and return capacity.

During the current drought period, due to reduced surface water supplies from the SWP, it was not feasible to bank water. However the District will continue to budget for water banking each year in order to have funds set aside to bank water in years that it is available. While banking of water will help to prevent spikes in purchase costs, it should be noted that the cost to deliver banked water, which includes the original purchase price, put fees, take fees, and pumping costs, is higher than the standard AVEK treated water rate. Where banked water will be of use to the District is to help avoid the replenishment scenario discussed in Section 3.5.2.

3.2 Existing Water Rates

The existing water rates for the District were developed based on the recommendations in the 2009 Rate Study, and are as shown in the table below:

Table 3.2.1: Existing RCSD Service Charge

Service Charge	
Meter Size	Base Rate
5/8"	\$ 20.00
3/4"	\$ 20.68
1"	\$ 31.20
1.5"	\$ 51.16
2"	\$ 82.49
3"	\$ 210.46
4"	\$ 225.09
6"	\$ 247.68

Table 3.2.2: Existing RCSD Water Commodity Rates

Commodity Rates		
Tier	Max HCF	Cost/HCF
Tier 1	15	\$ 2.24
Tier 2	30	\$ 2.37
Tier 3	50	\$ 2.55
Tier 4	>50	\$ 2.74

3.3 Historical Water Use

The District has seen a reduction in water use over the past five years, which is likely due in part to internal conservation efforts, and in part from an external State mandate for conservation to address the current drought conditions. Below is a table showing the historical water use for the past 6 years.

Table 3.3.1: Historical Water Use

Year	Water Pumped (AF)	Percent Change
2009	3,173	
2010	3,022	(4.8)
2011	2,873	(4.9)
2012	2,976	3.6
2013	2,998	0.7
2014	2,885	(3.8)

For the purposes of this study, water use was increased proportional to the increase in customer base. Because the costs of supplying water are directly passed on through the commodity rates, fluctuations in water usage will have less of a financial impact on the water fund moving forward. More information on demand projection is provided in Section 3.6.

3.4 Cost of Service

To determine the cost of service now and over the next 5 years, multiple sources of data were used. These included past audits of the District, the current annual budget (fiscal year 2016), consideration of the groundwater adjudication, and research into imported water costs. These data sources were combined to create an estimate of the different system costs moving forward. There are three types of costs to service a water system. These costs are as follows:

- Fixed Costs – These costs are the same for each customer and generally include items such as administration, meter reading, and billing
- Capacity Costs – These costs are affected by the capacity requirements of each customer based on water meter size, and include repair and maintenance costs, a portion of the capital improvement/depreciation costs, and meter repair costs.
- Commodity Costs – These costs are directly affected by the amount of water consumed by the customers and include electrical costs, pumping costs, a portion of the depreciation costs, and water purchase costs.

Table 3.4.1 outlines the actual water system costs for 2015. As shown in the table, these costs have been allocated into one or more of the three categories listed above, per the direction of RCSD finance and public works staff.

Table 3.4.1: RCSD Water System Costs (2015 Audited Figures)

	Fixed	Capacity	Commodity	Purchase	Total
Expenses					
Salaries and Wages	691,690	-	400,000	-	1,091,690
Holiday, sick, and vacation pay	(83,504)	-	-	-	(83,504)
Repairs and Maintenance	-	156,958	320,000	-	476,958
Utility and Business Expenses	-	64,682	25,792	-	90,474
General and Administrative Expenses	14,874	549,741	-	-	564,615
Office and employment expenses	1,001	328,217	-	-	329,218
Office Supplies	5,644	16,336	-	-	21,980
Outside Services	5,183	19,510	-	-	24,693
Interest Expense	-	51,028	-	-	51,028
Depreciation	-	358,103	1,074,311	-	1,432,414
Total Expenses	634,888	1,544,575	1,820,103	-	3,999,566
Total Service Revenue Required	634,888	1,544,575	1,820,103	-	3,999,566

3.4.1 Fixed and Capacity Costs

As shown above, the fixed costs are split into two categories, the first being a non-scaling cost that is apportioned equally to each customer, and the second scaling based on capacity. The commonly accepted method for scaling capacity costs is through the use of the meter capacity

ratio. The ratio of capacity is calculated by dividing the large meter capacity by the base meter capacity. This results in a hydraulic capacity ratio that is used to calculate equivalent meters. The actual number of meters by size is multiplied by the corresponding capacity ratio to arrive at the number of equivalent meters.

Table 3.4.2 shows the equivalent capacity for the different meter sizes in use within the District, as well as the number of meters and meter equivalents for each category. As noted previously, a population increase of 1.6%, or approximately 80 customers per year, was used to project the system users for 2020.

Table 3.4.2: Existing and Projected Water Meters in RCSD System

Meter Size	Capacity - GPM	Meter Cap Ratio	2015	2015	2016	2016
			No. Meters	No. Equivalent Meters	No. Meters	No. Equivalent Meters
5/8" METER	15	1	4634	4634	4714	4714
3/4" METER	30	1	33	33	33	33
1" METER	50	1.67	68	113.56	68	113.56
1 1/2" METER	100	3.33	25	83.25	25	83.25
2" METER	160	5.33	44	234.52	44	234.52
3" METER	500	10	7	70	7	70
4" METER	1000	16.66	10	166.6	10	166.6
6" METER	1600	33.33	5	166.65	5	166.65
		Total	4826	5502	4906	5582

Customer related costs are fixed expenses that relate to operational support activities including accounting, water billing, customer service and administrative and technical support. The customer related costs are essentially common-to-all costs that are independent of user class characteristics. The base service charge provides a mechanism for recovering a portion of the fixed costs and ensures a stable source of user revenues for the utility. Between the 2009 rate study and now, more detailed cost analysis has been performed to determine the effect of a reduction in usage on costs. From that analysis, a more functional approach to cost allocation and recovery was used for this rate study. The effect of this analysis is that the base service cost to cover fixed costs is higher, while the commodity cost per unit of water used is lower.

For the purposes of this model, a standard inflation rate of 3% was used to project future cost increases for both the fixed and capacity costs. In addition to these costs, the District has historically seen an average capital improvement investment of \$750,000 per year into its water system, resulting in additional depreciation of \$37,500 per year.

The fixed costs in the system are apportioned equally to each metered customer, while the capacity costs are apportioned based on the meter capacity ratio of each customer. The fixed and capacity charges are added together to establish the monthly "Base Rates" for each meter size. In order to maintain revenues commensurate with expenses, the base 2016 rates were established and then an inflationary factor of 3% was used to set rates for years 2017-2020, as shown in Table 3.4.3.

Table 3.4.3: Existing and Proposed Base Service Charges

Proposed Service Charge Base Rates						
Meter Size	Current	2016	2017	2018	2019	2020
5/8"	\$ 20.00	\$ 34.89	\$ 35.41	\$ 35.96	\$ 36.50	\$ 37.06
3/4"	\$ 20.68	\$ 34.89	\$ 35.41	\$ 35.96	\$ 36.50	\$ 37.06
1"	\$ 31.20	\$ 50.82	\$ 51.58	\$ 52.40	\$ 53.19	\$ 54.02
1.5"	\$ 51.16	\$ 90.27	\$ 91.66	\$ 93.11	\$ 94.54	\$ 96.03
2"	\$ 82.49	\$ 137.81	\$ 139.94	\$ 142.17	\$ 144.36	\$ 146.65
3"	\$ 210.46	\$ 248.82	\$ 252.67	\$ 256.73	\$ 260.69	\$ 264.85
4"	\$ 225.09	\$ 407.13	\$ 413.44	\$ 420.10	\$ 426.59	\$ 433.41
6"	\$ 247.68	\$ 803.37	\$ 815.86	\$ 829.01	\$ 841.84	\$ 855.33

It is noted that this is a relatively major increase in the charges for the lowest use customers. This is in response to the requirements of the State of California, as interpreted during recent lawsuits including Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano, which found that water rates must correspond to the actual cost of providing service at a given level of usage.

3.4.2 Commodity Costs

As a result of the proposed increase in fixed costs, the current commodity costs would be reduced for most users. The highest tier users will see an increase in commodity costs as a result of the increased cost of water from AVEK.

Commodity costs as determined by RCSD staff include the costs of pumping and electrical, as well as a portion of the system depreciation. Over the next seven years that cost will gradually increase to reflect the additional cost of imported SWP water, as RCSD's groundwater production rights are reduced. The unit cost of pumped groundwater has been projected to increase eight percent (8%) annually, in keeping with escalating electric utility costs.

The cost of imported SWP water was set based on AVEK's treated water rate of \$485 per acre-foot for calendar year 2016. Based on historical trends over the past 5 years, as well as AVEK's predicted future rate increases, an 8% annual increase was used to predict future pricing. It should be noted that this pricing is for treated, delivered water. In addition to the increase in unit cost for imported water, the share of imported water will increase as the district shifts from groundwater to SWP water as its majority source of supply. The table below shows the anticipated demand for imported water and the associated costs.

Table 3.4.4: Existing and Proposed Pumping Requirements and Costs

Annual Pumping Allowance by Adjudication								
Year	2015	2016	2017	2018	2019	2020	2021	2022
Allowable Pumping Rate (AF)	2,885	2,885	2,885	2,389	1,893	1,397	901	404
Acre Feet Needed per year	2,440	2,489	2,539	2,590	2,642	2,695	2,749	2,804
Number of AF to buy	-	-	-	201	749	1,298	1,848	2,400
Cost per AF	485	524	566	611	660	713	770	832
Total Purchase Price	-	-	-	122,811	494,340	925,474	1,422,960	1,996,800

Other situations were evaluated as well during the study, including the purchase of replenishment water to cover over pumping, as well as the delivery of untreated water to the water banks, and

the additional fees required to cover the water banking costs. The results were not fiscally prudent and were discarded.

Using the assumptions listed above to maintain the same tiers, each individual user is given credit for their portion of the water rights to be pumped from the system. Users in Tier 1 are assumed to obtain water at the lowest purchase price (i.e. pumped groundwater) and users in Tiers 2, 3, and 4 incrementally use more higher-cost SWP water, as their higher demand results in the need for SWP water. The projected commodity rates for 2016-2020 were determined by allowing for the projected 2020 pumping allowance. Each user is allocated costs based on tier for the overall commodity costs. In addition each user in the upper tiers is allocated additional purchase costs to cover the additional expense incurred for the AVEK water purchases. The inflation factor used to project the expenses involved with water delivery was used to compute rates for the remaining years.

Table 3.4.4: Proposed Commodity Charge

Proposed Commodity Rate Structure (\$/HCF)						
Tier	Current	2016	2017	2018	2019	2020
Tier 15	2.24	1.83	1.85	1.87	2.10	2.58
Tier 30	2.37	2.19	2.24	2.48	2.76	3.07
Tier 50	2.55	2.53	2.60	2.79	3.02	3.26
Tier >50	2.74	3.02	3.14	3.26	3.41	3.55

As noted, these commodity rates are lower across most tiers, because a larger portion of the cost of service has been designated as fixed costs than in the prior study.

3.5 Revenue vs. Expenses

3.5.1 Standard Scenario

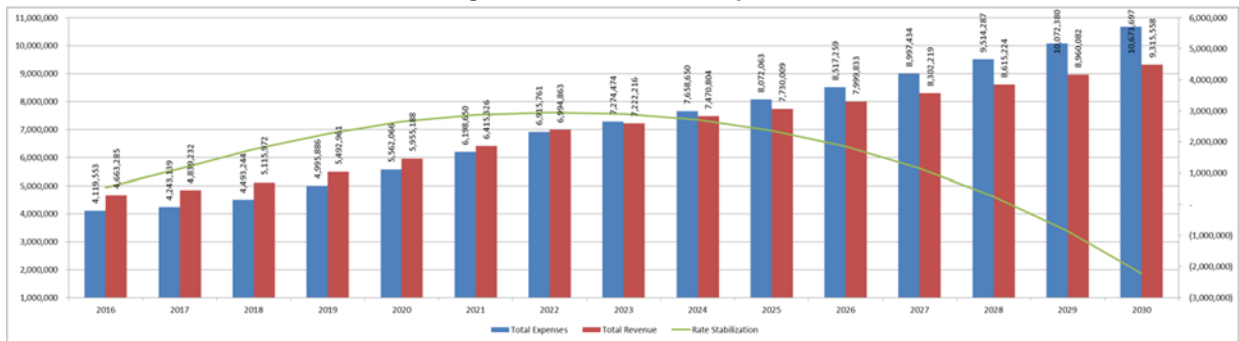
Based on the rates shown above, expected rampdown due to adjudication, the required blending to meet Chromium 6 requirements and assumed AVEK pricing at today's rates for supply with an 8% annual increase, the projected revenues and expenses for the next 5 years would be as shown in Table 3.5.1:

Table 3.5.1: Projected Revenue vs Expenses, 2016-2020

	2016	2017	2018	2019	2020
Fixed Expenses	2,244,847	2,312,192	2,381,558	2,453,005	2,526,595
Commodity Expense - Pumped	1,874,706	1,930,947	1,988,875	2,048,541	2,109,997
Commodity Expense - Purchased	-	-	122,811	494,340	925,474
Total Expenses	4,119,553	4,243,139	4,493,244	4,995,886	5,562,066
Revenue - Base Rate	2,245,068	2,311,800	2,381,928	2,452,848	2,527,080
Revenue - Usage	2,375,608	2,484,695	2,691,179	2,997,120	3,384,986
Revenue - Other	42,609	42,737	42,865	42,993	43,122
Total Revenue	4,663,285	4,839,232	5,115,972	5,492,961	5,955,188
Net Revenue	543,732	596,093	622,728	497,075	393,122
Rate Stabilization	543,732	1,139,825	1,762,553	2,259,628	2,652,750

As seen in Figure 3.5.1, the effect of setting rates based on actual costs to deliver water results in a surplus that diminishes as changes in cost structure realized due to the adjudication.

Figure 3.5.1: Revenue vs. Expense



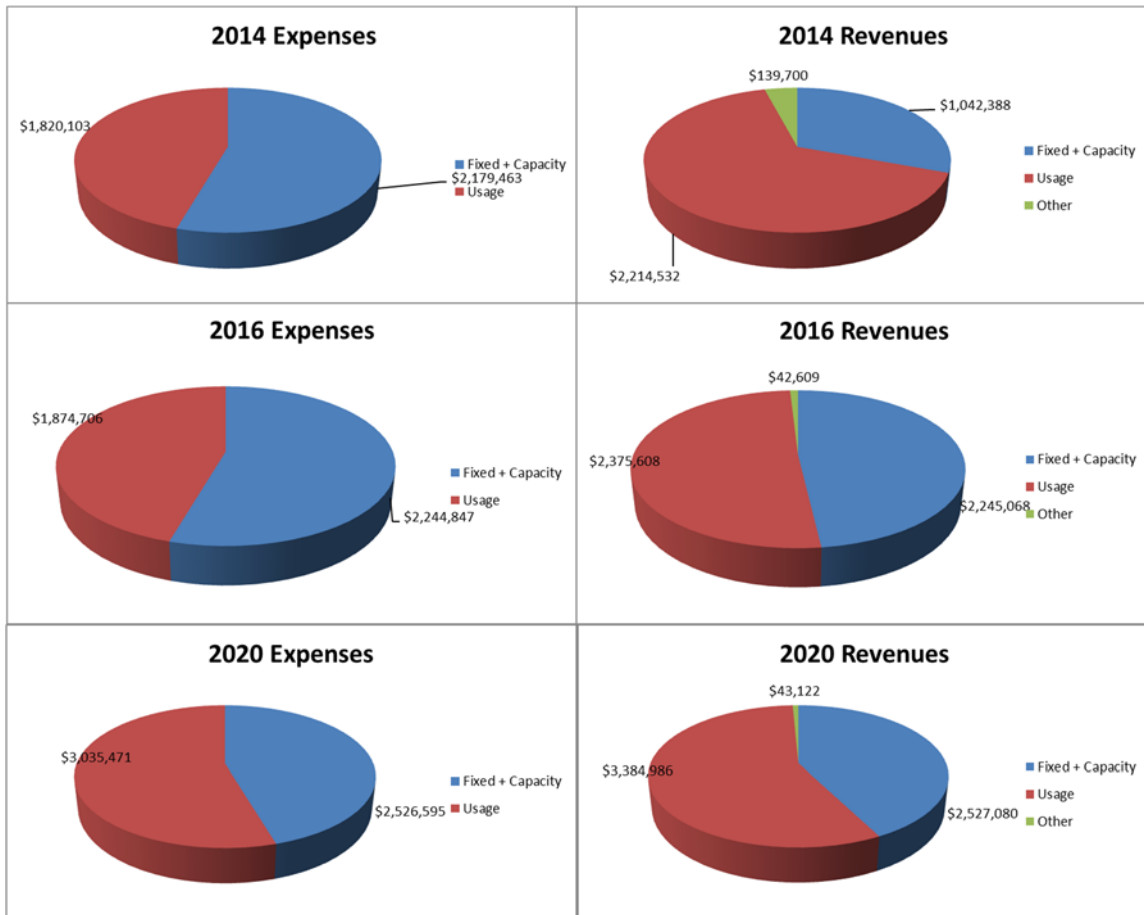
Because the forecasted cost of purchased water over pumped water starting in 2018 is significantly higher, the first few years allow the District to build up a sizeable cushion to protect itself against a worst case scenario (See below for a breakdown of that scenario). Assuming the variables continue, by 2023 the costs of purchasing water at the projected rates (not shown) would cause the system to return to a negative annual net revenue. A new rate study should be scheduled in 2020 for implementation in 2021 to properly evaluate the trend in water costs.

Assumptions for this scenario include a 1:1 pumped groundwater-to-imported water blending ratio beginning in 2020, with water purchased from AVEK for all needs at \$485/acre-foot, increasing with inflation of 8%, while fixed expenses were increased at 3%.

The combination of charts below show how the adjustment to the 2020 adjudication levels for commodity costs affects the distribution of revenues over time, with original revenues outweighing those costs, but reaching equivalency in 2020. It can be seen how the 2014 revenue

and expense categories did not match up. This resulted in the larger users paying a greater share of the costs, in proportion to their expense to the system.

Figure 3.5.2: Revenue and Expense Categories - 2016 and 2020



3.5.2 Replenishment Scenario

In evaluating the District’s net revenues for the next 5 years and beyond, it must be recognized that the District must project a great deal of unknown variables. The District has multiple facilities and water delivery vehicles that may be online within the next couple of years, which would help to assuage cost increases, while at the same time, the District will be subject to the constraints of the water that AVEK is capable of delivering. If it is found that AVEK does not have the water available for blending and/or for consumption in the long term as the adjudication begins to impact RCSD, then the District would have to pump and replenish the aquifer at a premium rate, currently \$700 per acre foot. In addition, prices for 2015 saw an 8% increase year over year. Water purchase costs have historically increased at a rate well above inflation.

To determine the impact of a worst-case scenario, an evaluation was done using the proposed water rates, with assumptions of \$700 initial reimbursement price, increased 8% annually. The results of this scenario are shown in the table below:

Table 3.5.2: Projected Revenue vs Expenses, 2016-2022, Replenishment Case

	2016	2017	2018	2019	2020	2021	2022	2023
Fixed Expenses	2,244,847	2,312,192	2,381,558	2,453,005	2,526,595	2,602,393	2,680,465	2,760,879
Commodity Expense - Pumped	1,874,706	1,930,947	1,988,875	2,048,541	2,109,997	2,173,297	2,238,496	2,305,651
Commodity Expense - Purchased	-	-	177,253	713,480	1,335,736	2,053,757	2,881,979	3,186,723
Total Expenses	4,119,553	4,243,139	4,547,686	5,215,026	5,972,328	6,829,447	7,800,940	8,253,253
Revenue - Base Rate	2,245,068	2,311,800	2,381,928	2,452,848	2,527,080	2,602,128	2,680,884	2,680,884
Revenue - Usage	2,375,608	2,484,695	2,691,179	2,997,120	3,384,986	3,769,947	4,270,599	4,497,822
Revenue - Other	42,609	42,737	42,865	42,993	43,122	43,251	43,380	43,510
Total Revenue	4,663,285	4,839,232	5,115,972	5,492,961	5,955,188	6,415,326	6,994,863	7,222,216
Net Revenue	543,732	596,093	568,286	277,935	(17,140)	(414,121)	(806,077)	(1,031,037)
Rate Stabilization	543,732	1,139,825	1,708,111	1,986,046	1,968,906	1,554,785	748,708	(282,329)

This scenario shows how much more quickly the costs to provide water accelerate if these less optimistic scenarios are realized. As seen in the table, expenses begin to exceed revenues in this scenario by 2020. However, this scenario does allow for the buildup of the rate stabilization fund in the initial years while the District is still allowed to pump groundwater from the aquifer. In 2020, the overall fund still projects a positive balance. The expenses of purchased water in the worst case scenario would use up the remainder of the surplus some time in 2023, wherein a new study should have been completed and rate revisions implemented.

While it is not good practice to set water rates based on a worst case scenario, it should provide some confidence that the proposed rates accurately reflect a reasonable reflection of costs, while still allowing the District to protect against insolvency even in less favorable conditions.

3.6 Growth Scenarios

In order to determine the validity of the model and rates for different population and usage projections, multiple scenarios were run with different water usage growth projections. Table 3.6.1 below shows the results of some different scenarios:

Table 3.6.1: Effect on Revenues from Demand Growth or Reductions

Water Use Variance Check				
Annual Water Demand Growth Rate	1.65%	0.0%	5.0%	-5.0%
2020 Projected Net Revenue	\$393,122	\$417,452	\$357,584	\$480,998
Change in Revenue from 1.6% Rate	\$0	\$24,330	-\$35,538	\$87,876
Change as percentage of Revenue	0.00%	0.47%	-0.69%	1.70%

As can be seen in the table, even a 5% increase or decrease each year (which would be approximately 28% increase over those 5 years) in system demand will have a minor effect on the overall revenues of the system. This provides further evidence that the rates will now be tied directly to the costs of providing service to each customer.

3.7 Customer Effects

As is the case in most areas, a majority of the District’s customers are residential users. Through analyzing the function of each cost, it was determined that system costs were mostly fixed and that as a result the overall cost increases necessary to continue providing water to the District will fall on those customers. However, this represents the methodology that most closely ties rates to the reasonable costs of supplying water to each customer.

The Table below shows a selection of existing customers representing various meter sizes and usages, to show how different customer classes would be affected under the proposed 2016 rates, as compared to the current rates.

Table 3.7.1: Change in Water Bill Various Customers

Meter Size	Average Usage (HCF)	Current			2016 Proposed			Net Change
		Consumption Charge	Service Charge	Total Bill (Monthly)	Base Rate (Monthly)	Consumption Charge	Total Bill (Monthly)	
5/8" METER	3	\$ 6.72	\$ 20.00	\$ 26.72	\$ 34.89	\$ 5.49	\$ 40.38	\$ 13.66
3/4" METER	8	\$ 17.92	\$ 20.00	\$ 37.92	\$ 34.89	\$ 14.64	\$ 49.53	\$ 11.61
1" METER	15	\$ 33.60	\$ 20.00	\$ 53.60	\$ 50.82	\$ 27.45	\$ 78.27	\$ 24.67
1 1/2" METER	33	\$ 76.16	\$ 31.20	\$ 107.36	\$ 90.27	\$ 83.36	\$ 173.63	\$ 66.27
2" METER	53	\$ 266.06	\$ 82.49	\$ 348.55	\$ 137.81	\$ 159.99	\$ 297.81	\$ (50.74)
3" METER	126	\$ 466.12	\$ 82.49	\$ 548.61	\$ 248.82	\$ 380.36	\$ 629.18	\$ 80.57
4" METER	251	\$ 808.58	\$ 225.09	\$ 1,033.67	\$ 407.13	\$ 757.69	\$ 1,164.82	\$ 131.15
6" METER	1,040	\$ 2,970.21	\$ 247.68	\$ 3,217.89	\$ 803.37	\$ 3,139.45	\$ 3,942.82	\$ 724.93

4. Wastewater System

4.1 Sewer Collection and Treatment

Costs to operate and maintain the sewer system are much less dynamic and more predictable than that of the water system. The existing sewer system contains approximately 70 miles of collection and transmission piping. The treatment facility is a series of evaporation ponds. The mechanical portions of the system include a bar screen and grinder, influent pumps and an automatic sampler. The process has continued to function within regulatory requirements, and no changes to the treatment methods are planned at this time.

4.2 Existing Sewer Rates

Currently, the base rate for all customers is \$39.80 per month. There is also an HCF charge, based on metered water usage. For those customers that are not metered through RCSD's water system, estimated usage rates are used to determine the HCF charge. Customers are categorized within three categories: Residential, Commercial I, and Commercial II. Commercial II customers are identified as those classes of customers that discharge Fat, Oil, and Grease (FOG), which increase the costs of maintenance on the sewer system. The HCF charges range from \$0.13/HCF for the Residential and Commercial I users to \$0.52/HCF for the Commercial II users.

Overall costs to the sewer system users are relatively low, due to the ability of the District to use ponds as the treatment method, which are a low cost method of treatment.

4.3 Cost of Service

As outlined in the previous study, a majority of the sewer system costs are fixed, including administration and the costs of maintaining the system and funding repair and replacement. Commodity based costs, that are based on usage, include the costs of maintenance items such as cleaning of the sewers.

4.3.1 Fixed Costs

Because of the treatment method for the wastewater within the District, a large portion of the costs of the system are fixed. These costs include administrative costs as well as the costs to fund repair and replacement initiatives. The fixed costs are apportioned equally to each user group.

A breakdown of the 2015 actual costs for the sewer fund illustrates the apportionment of fixed costs versus commodity costs, as provided by RCSD staff:

Table 4.4.1: 2015 Sewer System Costs (2015 Audited Figures)

	Fixed	Variable	Total
Expenses			
Salaries and Wages	666,069		666,069
Holiday, sick and vacation pay	86,418		86,418
Repairs and Maintenance	98,812	116,750	215,562
Utilities and Business Expenses	70,701		70,701
General and Administrative Expenses	131,963		131,963
Office and employment expenses	306,825		306,825
Office Supplies	19,882		19,882
Outside Services	21,804		21,804
Interest Expense	175,061		175,061
Depreciation	674,151		674,151
Total Expenses	2,251,685	116,750	2,368,435
Total Service Revenue Required	2,251,685	116,750	2,368,435

Upon review of the prior study, and reviews of revenues collected since the enactment of the recommended rates, it was discovered that the previous fixed rates had been set based on the number of connections, without factoring in that some residential connections are charged for multiple accounts (i.e. duplexes or apartments). Upon accounting for these additional accounts, the fixed costs per customer are reduced.

4.3.2 Commodity Costs

The commodity costs for the system include those costs that vary based on the discharge to the system. Those costs include pumping costs as well as the cleaning of the sewer system. Because of the additional FOG loading from the Commercial II group, that group creates a higher cost of maintenance. Per previous studies,¹ the estimated impact of that group is four (4) times that of a typical residential or standard Commercial I user; therefore, the commodity cost charged to that user group has been set at four times the commodity cost for the other user types.

The District makes a reasonable effort to determine the wastewater discharge from each customer. Where water meters are available, the District uses water meter data to estimate the discharge. Where there is no meter data available, the District has estimates based on the user category.

The District has consistently seen approximately 13 Commercial II users over the past 5 years. For the past 3 years, those users have been billed approximately 10,944 HCF. Overall billed flow for low strength users (Residential and Commercial I) has increased proportionately to the

¹ 2009 Rosamond CSD Rate Study

increase in users, and the same increase of approximately 80 users per year is reflected in the projected revenues for the sewer system.

Since the time of the last study, commodity costs for the sewer system have risen approximately 50%. Because these costs are mostly in the electric and chemical category, and the historical increase outpaces inflation, we would expect the same approximate 8% annual increase that was used in the water rate scenarios to hold true for commodity costs. In order to continue to collect fees reflective of these costs, we recommend an adjustment of the collected rates to match the projected 2020 costs of service. The table below illustrates that projected fixed and commodity rates for the sewer system over the next 5 years.

Table 4.5.1: Proposed Sewer Rates, 2016-2020

Proposed Sewer Rate Schedule						
	Current	2016	2017	2018	2019	2020
Base Rate						
Residential	39.80	33.26	34.55	35.89	37.27	38.69
Commercial I	39.80	33.26	34.55	35.89	37.27	38.69
Commercial II	39.80	33.26	34.55	35.89	37.27	38.69
Commodity Charge (\$/HCF)						
Residential	0.13	0.23	0.24	0.26	0.28	0.29
Commercial I	0.13	0.23	0.24	0.26	0.28	0.29
Commercial II	0.52	0.92	0.96	1.04	1.12	1.16

As mentioned above, fixed costs per customer have been reduced from the prior rates, due to the multi-user connections throughout the system.

4.4 Revenues vs. Expenses

The table below shows the projected revenues, expenses, and net revenue for each year through 2020 based on the rates proposed above.

Table 4.5.2: Sewer Revenue vs. Expenses

	2016	2017	2018	2019	2020
Fixed Expenses	2,378,120	2,510,953	2,650,507	2,797,123	2,951,157
Variable Expense	126,090	136,177	147,071	158,837	171,544
Total Expenses	2,504,210	2,647,130	2,797,578	2,955,960	3,122,701
Revenue - Base Rate	2,378,352	2,510,820	2,650,836	2,797,500	2,951,424
Revenue - Usage	126,402	133,826	147,103	160,743	168,931
Revenue - Other	46,603	46,743	46,883	47,024	47,165
Total Revenue	2,551,357	2,691,389	2,844,822	3,005,267	3,167,520
Net Revenue	47,147	44,259	47,244	49,307	44,819
Total Position	47,147	91,407	138,650	187,957	232,777

Future years for sewer expenses and revenue include a 2% projected increase to cover system expansion, including reclaimed water.