

RESOLUTION NO. 3373

**RESOLUTION OF THE BOARD OF DIRECTORS OF
JURUPA COMMUNITY SERVICES DISTRICT
ESTABLISHING RATES FOR WASTEWATER SERVICE
AND SUPERSEDING CERTAIN PROVISIONS OF
RESOLUTION NO. 3011**

WHEREAS, Jurupa Community Services District ("District") has engaged the services of a professional rate consultant, Robert D. Niehaus, Inc. ("Rate Consultant"), to perform a study of the District's rates and charges for water and wastewater services; and

WHEREAS, the District's Rate Consultant has provided a report to the District entitled, "Water and Wastewater Rate Study," recommending revisions to the District's rates and charges for wastewater services, which has been posted on the District's Internet web page and has been available for public review since February 21, 2024; and

WHEREAS, this Board has also conducted workshops to discuss the proposed adjustments to the District's wastewater rates and to consider comments on the proposed rates; and

WHEREAS, pursuant to the requirements of Article XIII D, Section 6 of the California Constitution, the District provided mailed notice of the proposed wastewater rates to all property owners and customers who would be affected by said rates, advising them of a public hearing to be conducted by this Board on April 8, 2024, and the opportunity to protest the proposed rates in writing, which notice was mailed more than 45 days prior to the public hearing; and

WHEREAS, on April 8, 2024, this Board conducted a public hearing on the proposed rates as provided in the notice mailed to property owners and to customers who would be affected by the rates, considered all written protests to the proposed rates filed with the District prior to the conclusion of the public hearing, and has determined that the written protests filed with the District represent fewer than 50% of the total number of parcels that would be affected by the proposed rates, and therefore a majority protest to the proposed rates did not exist; and

WHEREAS, this Board has determined that the rates for wastewater service proposed in the study are necessary in order to cover actual costs incurred by the District in providing sewer service to its customers, and will not produce revenues in excess of costs of such service.

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

Section 1. The matters set forth in the recitals of this Resolution are true

and correct statements and are made findings and determinations of the Board of Directors.

Section 2. The Board of Directors been presented with data showing both the estimated reasonable costs of providing wastewater and the revenue sources available to cover the costs of providing such wastewater service.

Section 3. The Board of Directors has authorized and directed District staff to give notice of a public hearing by mail with no less than 45 days before the public hearing pursuant to the California Constitution, article XIII D, section 6. Notice was given to the record owners of any property upon which the charges were proposed for imposition and to tenants directly liable for the payment of wastewater service charges (i.e., customers who are not property owners) within District boundaries. The notice included the amount of the proposed wastewater service charges to be imposed on each parcel; the basis upon which the charges were calculated; the reasons for the proposed increase to the wastewater service charges; and the date, time and location of the public hearing on the proposed wastewater service charges. On April 8, 2024, at the time and place set for the public hearing, the board of directors considered this Resolution, heard and considered the comments of all persons appearing at the hearing, and considered all written protests submitted prior to the close of the hearing.

Section 4. The Board of Directors finds the schedule of wastewater rates attached as Exhibit A, and incorporated herein by this reference, will result in revenue to the District, taking into consideration the estimated reasonable cost of providing wastewater service and the sources of revenue available to the District to cover the cost of such facilities and services, which will not exceed the estimated cost of the services for which the wastewater service charges are charged.

Section 5. The Board of Directors further finds that the schedule of wastewater rates, taking into consideration the estimated reasonable cost of providing wastewater service and the sources of revenue, will result in a fair and reasonable revenue program, reasonably allocating the cost of wastewater services to those who benefit, without unfair subsidy to or by those who pay for the wastewater services.

Section 6. In accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, the Board of Directors has determined that the increases in the wastewater service charges are not a project subject to CEQA pursuant to Section 15378(b)(4) because the charges constitute the creation of a funding mechanism or other governmental fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. In addition, even if the action is considered a "project" subject to CEQA, it is exempt under Section 15273 of the CEQA Guidelines and Public Resources Code section 21080(b)(8) because the increased charges are for the purpose of meeting operational and maintenance expenses related to providing wastewater services. The documents and materials that constitute the record of proceedings on which these findings have been based are located at 11201 Harrel Street, Jurupa Valley, CA 91752. The custodian for these records is the Secretary of the Board of Directors.

Section 7. The Board of Directors finds the revenue derived from the wastewater service charges established by this Resolution:

1. Does not exceed the funds required to provide the capital facilities and wastewater services;
2. Shall not be used for any other purpose than that for which the charge was imposed;
3. Provides a service which is immediately available to the customer; and
4. Is not levied for general governmental services, and that the rates for the wastewater service charges do not exceed the proportional cost of service attributable to each parcel upon which the wastewater service charges are imposed.

Section 8. The District will annually pass through to its customers any increases in the rates for wastewater treatment cost increases that exceed 5.0 percent (5.0%) for wastewater treatment services provided by the City of Riverside, the Western Riverside County Regional Wastewater Authority, or the Inland Empire Brine Line charges imposed by the Western Municipal Water District. The additional charges shall be passed through directly to the Wastewater HCF Charge set forth in the attached Exhibit A at any time for the five-year period commencing January 1, 2025, through and including January 1, 2029, provided:

1. That any increase resulting from any pass-through adjustment shall not cause any component of the District's rates to increase by more than 5% in any year;
2. That in no event shall rates be increased by more than the cost of providing wastewater service; and
3. That the District shall provide all customers a minimum 30-day written notice prior to implementing any pass-through adjustment.

Section 9. The Board of Directors adopts the schedule of rates and charges for wastewater service charges set forth in Exhibit A. The General Manager is authorized and directed to collect the new wastewater rates effective for billing cycles that begin on or after January 1, 2025, and each January 1 thereafter through 2029.

Section 10. The Board of Director's also authorizes the General Manager to request a determination by this Board of Directors regarding the appropriate rate classification to be applied to any customer of the District, which determination shall be final and conclusive.

Section 11. All resolutions of the Board of Directors, or parts thereof, inconsistent with any provision of this Resolution are superseded by this Resolution to the extent of such inconsistency.

Section 12. The Board of Directors has determined that if anything in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected. The Board of Directors declares it would have passed this Resolution in its entirety irrespective of anything held invalid.

Section 13. This Resolution shall take effect immediately upon its adoption.

ADOPTED this 8th day of April 2024.

DocuSigned by:
Bart Moreno
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Bart Moreno
President of the Board of Directors

ATTEST:

DocuSigned by:
Maria E. Ayala
F9E17AC4DD93404

Maria E. Ayala
Executive Services Manager/
Secretary to the Board of Directors

CERTIFICATION

I, Maria E. Ayala, Secretary to the Board of Directors of Jurupa Community Services District, certify that the foregoing resolution was adopted by the Board of Directors at a regular meeting held on the 8th day of April 2024, by the following vote of the Directors:

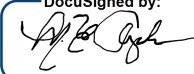
AYES: Directors Moreno, Folsom, Herda, McLaughlin, Nava

NOES: None

ABSENT: None

ABSTAINED: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of Jurupa Community Services District this 8th day of April 2024.

DocuSigned by:

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Maria E. Ayala
Executive Services Manager/
Secretary to the Board of Directors

(SEAL)

Exhibit "A"

Wastewater Rate Adjustments

The District's wastewater rate structure has two main components: a fixed charge component (monthly service charge) and a variable volumetric charge component. The monthly fixed service charge is determined based on the number of Equivalent Dwelling Units (EDUs) per account. All zones will be charged the same monthly service charge per EDU, which includes a capital repair and replacement component.

1. **Adjustment of Fixed Monthly Wastewater Service Rates.** Effective for billing cycles that begin on or after January 1, 2025, the District's wastewater rates for all classes, including residential, commercial, industrial, and institutional customers (defined to include schools as well as State, Federal and local governmental entities), will be adjusted and will receive four additional adjustments each January 1st thereafter, to correspond to the following rate schedule:
 - a. Monthly Service Charge (per EDU) per account for customers connected to either the City of Riverside or Western Riverside County Regional Wastewater Authority ("WRCWRA") treatment system. These rates are not applicable to customers connected to the Inland Empire Brine Line ("IEBL") system.

Fixed Charges					
Customer Class	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Residential	\$26.18	\$26.97	\$27.78	\$28.61	\$29.47
Institutional	\$26.18	\$26.97	\$27.78	\$28.61	\$29.47
Non-Residential	\$26.18	\$26.97	\$27.78	\$28.61	\$29.47

2. **Adjustment of Variable Volumetric Charge.** Effective for billing cycles that begin on or after January 1, 2025, the District's volumetric component of a customer's wastewater bill will be adjusted and will receive an additional adjustment each January 1st thereafter, through 2029, to correspond to the following rate schedule. The variable charge will be based on 100% of monthly water consumption capped at eight (8) Hundred Cubic Feet (HCF), with one (1) HCF equal to 748 gallons, per EDU per month for residential and institutional customers, which represents the average winter wastewater flows District-wide to the wastewater treatment plant facilities. For those customers, it is assumed that water consumption in excess of eight (8) HCF per EDU per month is applied to outdoor irrigation, and therefore does not result in increased wastewater flows.

Variable Volumetric HCF Charge (capped at 8 HCF per EDU per month for Residential and Institutional Customers)

Variable Charges						
Customer Class	Tier - Width	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Residential	per hcf up to 8	\$2.70	\$2.78	\$2.86	\$2.95	\$3.04
Institutional	per hcf up to 8	\$2.70	\$2.78	\$2.86	\$2.95	\$3.04
Non-Residential	All Use	\$2.70	\$2.78	\$2.86	\$2.95	\$3.04

Commercial and Industrial customers (not including Inland Empire Brine Line customers), will be charged the same variable charge rates as those applied to residential customers, but their wastewater usage will not be capped at eight (8) HCF and instead will be billed on actual metered water use.

Inland Empire Brine Line

Approximately 135 of JCSD’s industrial and commercial wastewater accounts are connected to a separate wastewater collection and treatment system, referred to herein as the Inland Empire Brine Line (IEBL) system. The proposed rates also include changes to the wastewater rate structure for Industrial customers that discharge to the IEBL collection system. For IEBL customers, the proposed rate structure is different for “monitored” customers (who are routinely sampled to measure wastewater strength) and “non-monitored” customers (who are not routinely sampled). Proposed “Fixed IEBL Treatment/Pipeline Charges” and “Variable IEBL Charges” are designed to recover actual IEBL-related charges from Western Municipal Water District (WMWD). Proposed “Fixed IEBL Service Charges” are designed to recover JCSD costs associated with providing collection service to IEBL customers. The proposed Fixed IEBL Charges are charged per EDU. The proposed Variable IEBL Charges are charged per HCF. The proposed increases to the IEBL rates are based on projected cost inflation for each of the current charges.

3. **Adjustment of Fixed Monthly Wastewater Service Rates.** Effective for billing cycles that begin on or after January 1, 2025, the District's wastewater rates for IEBL industrial and commercial customers, will be adjusted and will receive four additional adjustments each January 1st thereafter, to correspond to the following rate schedule:

- a. Monthly Service Charge (per EDU) per account for customers connected to the Inland Empire Brine Line (“IEBL”) system.

Fixed Charges	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Monitored Customers per EDU	\$25.09	\$26.02	\$26.99	\$28.00	\$29.05
Non-Monitored Customers per EDU	\$14.50	\$15.04	\$15.61	\$16.19	\$16.79
All IEBL Customers Treatment/Pipeline Monthly Charge per EDU	\$12.37	\$13.01	\$13.66	\$14.34	\$15.06

4. **Adjustment of Variable Volumetric Charge.** Effective for billing cycles that begin on or after January 1, 2025, the District's volumetric component of a customer's wastewater bill will be adjusted and will receive an additional adjustment each January 1st thereafter, through 2029, to correspond to the following rate schedule for customers connected to the IEBL system.

Variable Charges	Current Charge	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Non-Monitored Commodity Rate per HCF	\$3.11	\$3.25	\$3.42	\$3.59	\$3.77	\$3.95
Monitored WMWD Flow Charge (per MG)	\$1,138.00 ⁽¹⁾	(2)	(2)	(2)	(2)	(2)
Monitored WMWD BOD Charge (per lb.)	\$0.3707 ⁽¹⁾	(2)	(2)	(2)	(2)	(2)
Monitored WMWD TSS Charge (per lb.)	\$0.5460 ⁽¹⁾	(2)	(2)	(2)	(2)	(2)

⁽¹⁾ Monitored Variable Charges for Flow, BOD and TSS are based on WMWD charges as adopted by JCSD Resolution 3368 on December 11, 2023.

⁽²⁾ Beginning in FY 2024-25, Monitored Variable Charges for Flow, BOD and TSS will be adjusted annually to agree with WMWD Board adopted charges for Flow, BOD and TSS (typically based on fiscal year beginning July).

5. **Wastewater Pass-Through Adjustments.** In developing its rates, the District carefully projected changes in costs as part of its Long-Range Financial Plan; however, there are significant uncertainties about the cost of wastewater treatment. To ensure that there are sufficient revenues to provide wastewater services to our customers, the District proposes an implementation of a pass-through charge, pursuant to California Government Code Section 53756. If wastewater treatment cost increases exceed the projected 5.0 percent (5.0%) for wastewater treatment services provided by the City of Riverside, the Western Riverside County Regional Wastewater Authority, or IEBL charges from Western Municipal Water District, the additional costs will be passed directly through the Wastewater HCF Charge. The District will provide written notice to customers thirty (30) days prior the effective date of any pass-through rate increase, which will be no more than an additional 5.0 percent (5.0%) increase in wastewater rates. In no event shall the pass-through charges exceed the estimated costs of providing the wastewater service.
6. **Subsequent Adjustments.** Following the above rate adjustments that become effective on January 1, 2025, the wastewater rates then in effect will remain in effect until such later time as the District's Board of Directors takes steps required by Article XIII D of the California Constitution and other applicable law then in effect to further adjust the District's wastewater rates.