

SAUSALITO-MARIN CITY SANITARY DISTRICT

ORDINANCE NO. 102

ORDINANCE ADOPTING SEWER SERVICE CHARGE RATES FOR FISCAL YEARS 2024/25, 2025/26, 2026/27, 2027/28 and 2028/29

WHEREAS, in adopting this Ordinance, the Board of Directors ("Board") of the Sausalito-Marín City Sanitary District, Marin County, California ("District") finds that:

A. On July 8, 2019, the Board adopted Ordinance No. 101 pertaining to Sewer Service Charge Rates; and

B. Ordinance No. 101 was codified and reflected in Chapter 3.05 of the Sausalito-Marín City Sanitary District Code, entitled "Sewer Service Charges"; and

C. HF& H Rate Consultants prepared an updated sewer model and rate study, which forecasts five-years of operating revenues and expenses and sets forth a proposed rate schedule that will ensure that rate revenues do not exceed the District's costs of providing sewer services and that the rates are proportionately charged to each customer for sewer services ("Rate Study"); and

D. The Board of the District has reviewed the present sewer service charge rate schedule and has determined that the annual sewer service charge rates should be increased in compliance with Article XIID of the California Constitution (Proposition 218), in order to meet operating expenses, purchase materials, meet financial reserve needs, and provide for capital projects necessary to maintain service within the existing service area; and

E. A Notice of Public Hearing containing information on the proposed fee increase was duly mailed to every property owner receiving sewer service from the District at least 45 days prior to the public hearing on the proposed increase conducted on May 7, 2024; and

F. The District conducted a public hearing on May 7, 2024, and at the public hearing, residents and property owners who wished to comment on this matter were heard; and

G. All written protests presented by the affected property owners were considered and tallied at the meeting, and the District was not presented with protests by a majority of the owners of the identified parcels affected by this change; and

H. The amount of the charges imposed does not exceed the proportional cost of the service attributable to the properties receiving service, and revenues from the charges and fees are not being used for any other purpose than that for which they are imposed; and

I. The charge is imposed only on those properties receiving service or those for which service is immediately available; and

J. This action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15273(a) (1), (2), (3), and (4) of the State CEQA Guidelines, in that the sewer service fee is being charged to meet operating expenses, purchase materials, meet financial reserve needs and provide for capital projects necessary to maintain service within the existing service area.

NOW, THEREFORE, IT IS ORDAINED by the Board of the Sausalito-Marín City Sanitary District as follows:

Section 1. Recitals. The Board of the Sausalito-Marín City Sanitary District does hereby find that the above-referenced recitals are true and correct and material to the adoption of this Ordinance.

Section 2. Amended. Section 3.05.120(A) of the District Code, pertaining to Residential Sewer Service Charges, is hereby amended as follows (deletions in ~~strike-through~~, additions in underline):

A. Residential Sewer Service Charges. Pursuant to District code 3.05.050(A), the annual sewer service charge payable by each residential customer class, per dwelling unit, shall be as follows:

Customer Class	FY 2019/20 <u>2024/25</u>	FY 2020/21 <u>2025/26</u>	FY 2021/22 <u>2026/27</u>	FY 2022/23 <u>2027/28</u>	FY 2023/24 <u>2028/29</u>
Single Family	\$866 <u>\$1,033</u>	\$906 <u>\$1,053</u>	\$942 <u>\$1,074</u>	\$970 <u>\$1,096</u>	\$999 <u>\$1,117</u>
Multi Family	\$771 <u>\$874</u>	\$793 <u>\$892</u>	\$824 <u>\$910</u>	\$849 <u>\$928</u>	\$875 <u>\$947</u>
Floating Homes	\$659 <u>\$765</u>	\$683 <u>\$781</u>	\$710 <u>\$797</u>	\$731 <u>\$813</u>	\$753 <u>\$829</u>

If applicable, residential customers shall also be subject to the supplementary sewer service charge provided for in subsection (C) of this section.

Section 3. Amended. Section 3.05.120(B) of District Code, pertaining to Nonresidential Sewer Service Charges, is hereby amended as follows (deletions in ~~strike-through~~, additions in underline):

B. Non-Residential Sewer Service Charges. Pursuant to District code Section 3.05.050(B), the annual sewer service charge payable for each nonresidential customer shall be calculated based upon the following sewer service charge rates:

Customer Class	FY 2019/20 <u>2024/25</u>	FY 2020/21 <u>2025/26</u>	FY 2021/22 <u>2026/27</u>	FY 2022/23 <u>2027/28</u>	FY 2023/24 <u>2028/29</u>
Nonresidential	\$866 <u>\$1,033</u>	\$906 <u>\$1,053</u>	\$942 <u>\$1,074</u>	\$970 <u>\$1,096</u>	\$999 <u>\$1,117</u>

If applicable, nonresidential customers shall also be subject to the supplementary sewer service charge provided for in subsection (C) of this section.

Section 3. Amended. Section 3.05.120 (C) of the District Code, pertaining to Supplementary Charges for Unincorporated Customers, is hereby amended as follows (deletions in ~~strike through~~, additions in underline):

C. Supplementary Charges for Unincorporated Area Customers. Pursuant to District Code Section 3.05.050(C), customers whose premises are located in the Marin City community or in other unincorporated areas of the district shall pay an additional charge as set forth below:

1. All residential customers shall pay a supplementary charge as follows:

Customer Class	FY 2019/20 <u>2024/25</u>	FY 2020/21 <u>2025/26</u>	FY 2021/22 <u>2026/27</u>	FY 2022/23 <u>2027/28</u>	FY 2023/24 <u>2028/29</u>
Single Family	\$192 <u>\$446</u>	\$198 <u>\$453</u>	\$220 <u>\$460</u>	\$291 <u>\$467</u>	\$387 <u>\$474</u>
Multi Family	\$169 <u>\$378</u>	\$174 <u>\$384</u>	\$194 <u>\$389</u>	\$256 <u>\$395</u>	\$341 <u>\$401</u>
Floating Homes	\$144 <u>\$331</u>	\$148 <u>\$336</u>	\$165 <u>\$341</u>	\$218 <u>\$346</u>	\$290 <u>\$351</u>

2. All nonresidential customers shall pay a supplementary charge calculated based upon the following rates:

Customer Class	FY 2019/20 <u>2024/25</u>	FY 2020/21 <u>2025/26</u>	FY 2021/22 <u>2026/27</u>	FY 2022/23 <u>2027/28</u>	FY 2023/24 <u>2028/29</u>
Non-Residential	\$192 <u>\$446</u>	\$198 <u>\$453</u>	\$220 <u>\$460</u>	\$291 <u>\$467</u>	\$387 <u>\$474</u>

Section 4. Amended. Section 3.05.120 (D) of the District Code, pertaining to Automatic Increases, is hereby amended as follows (deletions in ~~strike through~~, additions in underline):

D. Automatic Increases – Exceptions. The increases in sewer service charges and sewer service charge rates for Fiscal Years ~~2019/20, 2021/22, 2022/23, and FY 2023/24~~ 2024/25, 2025/26, 2026/27, 2027/28, and 2028/29 shall occur automatically on July 1st of each respective fiscal year without further approval or other action by the District's Board. Notwithstanding the automatic nature of those increases, the Board shall review scheduled increases prior to the beginning of each fiscal year and may, in its discretion, reduce the amount to be imposed pursuant to this section for that following fiscal year.

If the Board concludes by a majority vote that the sewer service charges or supplementary charges in amounts less than the maximum amounts as set forth in this chapter for the then following fiscal year will produce adequate revenues for that fiscal year, the Board may by resolution make appropriate findings and determine that it will impose sewer service charges in a lesser amount for that year.

Any such reduction for one fiscal year shall not affect the sewer service charges and rates for the following fiscal years, absent additional actions by the Board. Therefore, at the end of any fiscal year for

which the Board has acted to impose less than the full amount of sewer services charges authorized by this chapter, the following years' charges as set forth by this chapter will automatically take effect unless the Board takes appropriate actions to set or impose alternative sewer service charge amounts.

E. The rates and charges imposed by the Board under this ordinance shall continue thereafter in effect until further action of the Board.

Section 5. Amended. Section 3.05.050 (A) of the District Code, pertaining to Determination of Charges, is hereby amended as follows (deletions in ~~strike-through~~, additions in underline):

A. Determination of Charges: A. Residential Customer Sewer Service Charge. Each residential customer shall pay an annual sewer service charge, which is equivalent to the annual charge as established by the district's Board of Directors. 1. Residential – single-family customer's annual sewer service charge shall be the equivalent of one EDU. 2. Residential – multifamily customer's annual sewer service charge shall be the equivalent of ~~ninety-seven hundredths~~ eighty-five hundredths EDU. 3. Residential – floating home customer's annual sewer service charge shall be the equivalent of ~~ninety-two hundredths~~ seventy-four hundredths EDU.

Section 6. Publication. Upon adoption of this Ordinance it shall be entered in the minutes of the Board and it shall be published one time in a newspaper of general circulation in the District.

Section 7. Effective Date. This Ordinance shall be effective 30 days from the date of passage and adoption.

Section 8. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The Board hereby declares that it should have adopted the Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections subsections, sentences, clauses or phrases be declared unconstitutional.

Section 9. Upon this Ordinance's effective date, the Sewer Service Charges set forth herein shall supersede those set forth in Ordinance No. 101 and all other ordinances, resolutions, motions, and other orders and actions of the Board to the extent inconsistent with this Ordinance. To the extent that this Ordinance No. 102, or the Sewer Service Charges set forth herein, is challenged and set aside for any reason, Ordinance No. 101 and the Sewer Service Charges specified therein shall be immediately restored and effective until further action of the Board of Directors.

Section 10. CEQA. This action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15273(a) (1), (2), (3), and (4) of the State CEQA Guidelines, in that the sewer service fee is being charged to meet operating expenses, purchase materials, meet financial reserve needs and provide for capital projects necessary to maintain service within the existing service area.


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I certify that the foregoing Ordinance was duly and regularly adopted by the Board of Directors of the Sausalito-Marín City Sanitary District, Marin County, California, at a meeting held on May 7, 2024, by the following vote.

AYES, and in favor thereof,
NOES,
ABSTAIN,
ABSENT,

Directors: **Beers, DeLano, Rheiner, Ring & Thornton**
Directors:
Directors:
Directors:

APPROVED:

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Dan Rheiner, President

DocuSigned by:
Catherine A. Bondanza
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Catherine A. Bondanza, Board Secretary