

ORDINANCE NO. 120

**AN ORDINANCE OF THE NOVATO SANITARY DISTRICT
ESTABLISHING SEWER SERVICE CHARGES
FOR FISCAL YEARS 2016-17, 2017-18, 2018-19, 2019-20, 2020-21**

WHEREAS, the Novato Sanitary District has previously developed and instituted a Sewer Service Charge Program to finance the services and facilities furnished by the District, and

WHEREAS, Ordinance No. 111, adopted by the Board of Directors on August 6, 2007, set the sewer service charges through fiscal year 2009-2010 and the methodology for calculating the charges; and

WHEREAS, in adopting Ordinance No. 111, the Board relied on various studies and documents, which are available for inspection at the District offices; and

WHEREAS, Section 23 of Ordinance No. 111 provides that from time to time, when rates and charges are updated but there is no modification of methodology, the Board may modify rates and charges by adopting new tables; and

WHEREAS, Ordinance No. 116, adopted by the Board of Directors on June 25, 2012, set the sewer service charges through fiscal year 2015-16; and

WHEREAS, on Monday, the 13th day of June, 2016, at the hour of 6:00 p.m. at the regular meeting place of the District, 500 Davidson Street, Novato, California, the Board of Directors of the District heard and considered proposed sewer service charge increases for fiscal years 2016-2017 through 2020-2021, and the Secretary published a notice of said hearing once a week for two successive weeks with at least five days intervening between the respective publication dates, with the first publication being at least fourteen days prior to the date set for said hearing, in the Independent Journal, a newspaper of general circulation printed and published in the County; and

WHEREAS, the Board of Directors of the District has reviewed the present sewer service charge schedule and has determined that the residential Service Unit rate should be increased by an amount of \$21.00 for each of fiscal years 2016-17; 2017-18; 2018-19; 2019-20; and 2020-21. Non-residential rates will be increased proportionately based on square footage and variable water use charges; and

WHEREAS, in determining that the sewer service charges should be increased, the Board of Directors also considered the “2016 Sewer Rate Study” completed by Bartle Wells Associates and dated April 20, 2016; and

WHEREAS, the District will consider, at its regular meeting on June 13, 2016, whether to elect, pursuant to Section 5473 of the Health and Safety Code of the State of California, to have the sewer service charges, established pursuant to this Ordinance No. 120, collected on the tax roll of the County of Marin; and

WHEREAS, in adopting this Ordinance, the Board of Directors finds that:

- a. Written notices of the proposed increases in sewer service charges were sent by first class U.S. mail to every owner of property connected in the District at least 45 days prior to the Public Hearing on the proposed increases conducted on June 13, 2016.
- b. All proper protests submitted by property owners or occupants (one protest per parcel) against the proposed increases in the sewer service charges, including those provided in person or by U.S. mail or fax or e-mail, were considered and tallied at the public hearing conducted on June 13, 2016, and the District was not presented with protests by a majority of the owners of the identified parcels affected by this change.
- c. Based on the draft budget, the amount of the charges imposed does not exceed the proportional cost of the service attributable to the properties receiving service and the charges are imposed only on those properties actually receiving service or for those which service is immediately available.
- d. Adoption of this Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273 because the Ordinance pertains to the adoption of charges necessary to maintain services within the District’s existing service area.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Novato Sanitary District as follows:

Section 1. Table 1A, Table 1, and Table 2 of Section 4 of that certain ordinance entitled “Ordinance No. 111, An Ordinance of the Novato Sanitary District “Repealing District Ordinance No. 42, and Prescribing Rates and Charges for Sewage Disposal Service and Providing Procedures and

Penalties for its Enforcement”, passed by the Board of Directors of the Novato Sanitary District on August 6, 2007 are hereby amended as set forth in Attachment A to this Ordinance.

Section 2. The rates for residential customers in Table 1A of Attachment A reflect the inclusion of an annual collection fee of Two and 00/100 Dollars (\$2.00) per County Assessor’s parcel billed. For each non-residential parcel whose service charges are collected on the Marin County tax roll, an additional Two and 00/100 Dollars (\$2.00) fee also will be collected.

Section 3. Charges for users of the District’s sewer system set out in this Ordinance will be initiated for the fiscal year beginning July 1, 2016, and shall continue thereafter in effect until further action of the Board of Directors. To the extent this Ordinance No. 120, or the sewer service charges adopted herein, is challenged and set aside for any reason, Ordinance No. 116 and the preexisting 2015-16 sewer service charges adopted therein shall be immediately restored and will be effective until further action of the Board of Directors.

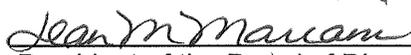
Section 4. Except as provided above, all of the balance of said Ordinance No. 111 shall remain in full force and effect.

Section 5. Upon adoption, this ordinance shall be entered in the minutes of the Novato Sanitary District Board, shall be published once in the Marin Independent Journal, a newspaper of general circulation published in the District, shall be posted in three (3) public places in the District, and shall take effect on July 1, 2016.

PASSED AND ADOPTED this 13th day of June, 2016, by the Board of Directors of the Novato Sanitary District by the following vote:

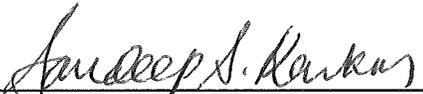
AYES:	Members:	Mariani, Peters, Dillon-Knutson, Long, Miller
NOES:	Members:	None
ABSENT:	Members:	None

SIGNED:



President of the Board of Directors
Novato Sanitary District

COUNTERSIGNED:



Secretary of the Novato Sanitary District
County of Marin, State of California

Approved as to Form:



Kenton L. Alm
Counsel for the District

**ATTACHMENT A
SEWER SERVICE CHARGE SCHEDULE FOR
FISCAL YEARS 2016-17, 2017-18, 2018-19, 2019-20, 2020-21
AND THEREAFTER UNTIL MODIFIED BY THE BOARD**

Table 1A – Residential Rates, annual*	Current Charge	2016-17	2017-18	2018-19	2019-20	2020-21
1 SU (Average Water Use)	\$552	\$573	\$594	\$615	\$636	\$657
Low Water Use	\$332	\$345	\$357	\$370	\$382	\$395
High Water use	\$992	\$1,030	\$1,068	\$1,105	\$1,143	\$1,181

*Rates apply to equivalent dwelling units including, but not limited to, single family residential homes, and each unit of multi-family residential buildings. Includes \$2 County of Marin charge for collection on tax rolls.

Table 1 - Non-Residential Rates

Fixed Charge Per Square Foot
Including flow factors

User Type	Floor Area Flow Factor	Current	FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Base Charge/square foot	1.0	\$0.23	\$0.24	\$0.25	\$0.26	\$0.27	\$0.27
Office	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Retail	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Public office buildings	1.0	0.23	0.24	0.25	0.26	0.27	0.27
School classrooms/admin	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Churches	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Meeting halls w/kitchens	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Auto service stations	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Supermarkets	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Auditoriums theaters	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Gymnasium w/showers	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Hotels/motels (1)	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Mortuary	1.0	0.23	0.24	0.25	0.26	0.27	0.27
Medical offices	1.3	0.30	0.31	0.32	0.33	0.35	0.36
Veterinary offices	1.3	0.30	0.31	0.32	0.33	0.35	0.36
Dental offices	1.3	0.30	0.31	0.32	0.33	0.35	0.36
Hospitals	1.3	0.30	0.31	0.32	0.33	0.35	0.36
Cafeteria/dining area	2.0	0.45	0.47	0.48	0.50	0.52	0.54
Restaurants/cafes	2.0	0.45	0.47	0.48	0.50	0.52	0.54
Bakeries	2.0	0.45	0.47	0.48	0.50	0.52	0.54
Ice cream/yogurt shops	2.0	0.45	0.47	0.48	0.50	0.52	0.54
Delicatessens	2.0	0.45	0.47	0.48	0.50	0.52	0.54
Laundry & laundromats	3.0	0.68	0.71	0.73	0.76	0.78	0.81

(1) Not including restaurants

Note for Table 1: Warehouses, ministorage buildings and other storage buildings not connected to the sewers are not charged for sewer use.

Table 2 – Non-Residential Rates

Variable Charge
(water use and strength factors)

User Type	Strength Factor	Current Charge	Charge Per Hundred Cubic Feet (1)				
			FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Base Charge/square foot	1.0	\$3.00	\$3.11	\$3.23	\$3.34	\$3.46	\$3.57
Office	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Retail	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Public office buildings	1.0	3.00	3.11	3.23	3.34	3.46	3.57
School classrooms/admin	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Churches	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Auto service stations	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Auditoriums theaters	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Gymnasium w/showers	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Hotels/motels (2)	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Medical offices	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Veterinary offices	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Dental offices	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Hospitals	1.0	3.00	3.11	3.23	3.34	3.46	3.57
Laundries & laundromats	1.4	4.20	4.36	4.52	4.68	4.84	5.00
Meeting halls w/kitchens	1.4	4.20	4.36	4.52	4.68	4.84	5.00
Cafeteria/dining area	2.2	6.52	6.77	7.02	7.26	7.51	7.76
Restaurants/cafes	2.2	6.52	6.77	7.02	7.26	7.51	7.76
Supermarkets	2.2	6.52	6.77	7.02	7.26	7.51	7.76
Bakeries	2.2	6.52	6.77	7.02	7.26	7.51	7.76
Ice cream/yogurt shops	2.2	6.52	6.77	7.02	7.26	7.51	7.76
Delicatessens	2.2	6.52	6.77	7.02	7.26	7.51	7.76
Mortuary	2.2	6.52	6.77	7.02	7.26	7.51	7.76

(1) One hundred cubic foot is 748 gallons. Charges based on historical winter water consumption.

(2) Not including restaurants

Notes for Table 2: The annual volume of water use in hundred cubic feet/year is calculated based on the average winter water use. (Winter bimonthly water use x 6 = annual volume of water use.)

Warehouses, ministorage buildings and other storage buildings not connected to the sewers are not charged for sewer use.