



# MARIPOSA COUNTY

Public Works · 209 966 5356



## RESOLUTION - ACTION REQUESTED 2019-79

MEETING: February 5, 2019  
TO: The Board of Supervisors  
FROM: Mike Healy, Public Works Director  
RE: Resolution of Intention-Lake Don Pedro Wastewater Rate Increases

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### RECOMMENDATION AND JUSTIFICATION:

Adopt a Resolution of Intention to Increase Lake Don Pedro Wastewater Rates, and Setting the Time, Date, and Location of Public Hearing. Current wastewater rates in Lake Don Pedro do not generate sufficient revenue to fund the cost of service. Updated rates are required in order to continue providing wastewater service to the Lake Don Pedro community.

### BACKGROUND AND HISTORY OF BOARD ACTIONS:

This will be the third attempt to raise rates in order to meet service delivery costs associated with the Lake Don Pedro Wastewater Utility. The two previous attempts were met with a successful Proposition 218 Protest.

Lake Don Pedro faces operations and maintenance deficits and aging infrastructure, and current wastewater rates do not generate sufficient revenue to fund the cost of service. The Board's last action to increase wastewater rates occurred in 2006. Thus, even though it is standard practice for public utilities to update water and wastewater rates every five years, it has been over eleven years since these rates have been adjusted.

### ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

The Board may decline to initiate the Proposition 218 notice and hearing process that is required to establish wastewater rate increases. In that event, the utility will continue to operate at a deficit and may eventually be unable to generate sufficient revenue to comply with California wastewater regulations. It is unclear what the consequences of such a failure might be, but presumably an outside agency would take over this service territory.

### FINANCIAL IMPACT:

**Unless adopted water and wastewater rates cannot be examined, the rates will remain unchanged and the funds collected for these services will not meet the cost of service.**

### ATTACHMENTS:

**LDP Res of Intent to Raise Rates (PDF)**  
**Rate Study Engineers Report (PDF)**

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**LDP Prop 218 Notice for 3 26 19 (DOCX)**  
**Rate Increase LDP Resolution of intention (DOCX)**

**RESULT: ADOPTED [UNANIMOUS]**

**MOVER:** Marshall Long, District III Supervisor

**SECONDER:** Kevin Cann, District IV Supervisor

**AYES:** Rosemarie Smallcombe, Marshall Long, Kevin Cann, Miles Menetrey

**EXCUSED:** Merlin Jones

**RESOLUTION NO. 19-79**

**A RESOLUTION OF THE COUNTY OF MARIPOSA BOARD OF SUPERVISORS DECLARING ITS INTENTION TO ADOPT INCREASED WASTEWATER RATES FOR LAKE DON PEDRO, SETTING A PUBLIC HEARING FOR March 26, 2019, AND DIRECTING STAFF TO PROVIDE NOTICE PURSUANT TO PROPOSITION 218**

**WHEREAS**, the County of Mariposa provides wastewater service to the unincorporated area of Lake Don Pedro through County Service Area No. 1-M, formed under County Service Area (Gov. Code §§ 25210 et seq.); and

**WHEREAS**, the Board's last action to increase wastewater rates for Lake Don Pedro occurred in 2006; and

**WHEREAS**, Lake Don Pedro faces operations and maintenance deficits and aging infrastructure; and

**WHEREAS**, current Lake Don Pedro wastewater rates do not generate sufficient revenue to fund the cost of service; and

**WHEREAS**, the County retained Bartles Wells Associates to examine the cost of providing wastewater service to Lake Don Pedro and to prepare a Lake Don Pedro Cost of Service Analysis, which is attached hereto as Exhibit A, and is available for public inspection; and

**WHEREAS**, the Lake Don Pedro Cost of Service Analysis recommends increasing Lake Don Pedro wastewater rates; and

**WHEREAS**, wastewater rate increases are subject to the notice, protest and hearing requirements established under Proposition 218.

**NOW, THEREFORE**, the Board of Supervisors of the County of Mariposa does hereby resolve as follows:

**SECTION 1** The foregoing recitals are true and correct.

**SECTION 2** The Lake Don Pedro Cost of Service Analysis is hereby approved and adopted.

**SECTION 3** The Board hereby initiates proceedings to adopt the proposed wastewater rate recommended in the Lake Don Pedro Cost of Service Analysis.

**Section 4** The Board hereby fixes the 26<sup>th</sup> day of March, 2019 at 2:00 pm at the Government Center, 5100 Bullion Street, Mariposa, CA 95338 as the date, time, and place for a public hearing ("Public Hearing") on the proposed Lake Don Pedro wastewater rates increases.

**Section 5** The Clerk of the board is hereby instructed to provide notice of the proposed rate increase to conformity with Proposition 218 and the Proposition 218 Omnibus Implementation Act, California Government Code sections 53750 et seq.

**Section 6** At the Public Hearing, the Board shall consider all objections or written protests, if any, to the proposed Lake Don Pedro wastewater rate increase, and any person shall be permitted to present written or oral testimony. Although oral comments at the Public Hearing will not qualify as a formal protest, the Board welcomes community input during the Public Hearing.

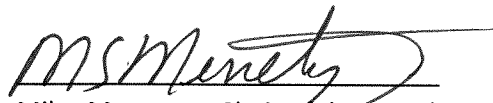
**Section 7** At the conclusion of the Public Hearing, all written protests submitted and not withdrawn will be tabulated.

**Section 8** A majority protest exists if written protests are submitted in opposition to the proposed rate increase by a majority (50% plus 1) of the property owners.


**Section 9** If there is a majority protest against the proposed rate increases, the Board shall not adopt the rate increases.

PASSED AND ADOPTED this 5<sup>th</sup> day of February, 2019 by the following vote:


AYES: SMALLCOMBE, LONG, CANN, MENETREY  
NOES: NONE  
ABSENT: JONES

  
Miles Menetrey, Chair of the Board

ATTEST:

  
Rene LaRoche, Clerk of the Board

APPROVED AS TO FORM:

  
Steven W. Dahlem, County Counsel