

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

15160 JACKSON ROAD
RANCHO MURIETA, CALIFORNIA 95683



SPECIAL BOARD MEETING

June 1, 2022 at 2:00 p.m.

NOTICE IS HEREBY GIVEN that the President of the Board of Directors of the Rancho Murieta Community Services District has called a Special Meeting of the Board to be held on June 1, 2022 at 2:00 p.m. at the Rancho Murieta Community Services District Board Room at 15160 Jackson Road, Rancho Murieta.

AGENDA

1. **CALL TO ORDER, ROLL CALL** - Determination of Quorum - President Maybee **(Roll Call)** 4:00
2. **ADOPT AGENDA** **(Motion)**
3. **COMMENTS FROM THE PUBLIC**
For this Special Meeting, members of the public may ONLY comment on items specifically agendized. Members of the public wishing to address a specific agendized item are encouraged to offer their public comment during consideration of that item. With certain exceptions, the Board may not discuss or take action on items that are not on the agenda.

If you wish to address the Board at the time of the agendized item, as a courtesy, please state your name and address and reserve your comments to no more than 3 minutes so that others may be allowed to speak. (5 min.)
4. **CONSIDER ADOPTION OF RESOLUTION APPOINTING HEARING OFFICER FOR EMPLOYEE R. TOMPKINS TERMINATION APPEAL HEARING** (Discussion/Action) **(Motion)**
(Roll Call Vote)
5. **CONSIDER ADOPTION OF RESOLUTION R2022-14 HONORING RYAN WENKER** (Discussion/Action) **(Motion)** **(Roll Call Vote)**
6. **INTRODUCE RESOLUTION R2022-15 APPROVING THE PROPOSED BUDGET FOR FISCAL YEAR 2022-23, INCLUDING CAPITAL PROJECTS** (20 min.) (Discussion/Action) **(Motion)** **(Roll Call Vote)**
 - a. Presentation by Staff
 - b. Public Comment on the Fiscal Year 2022-23 Budget, Including Capital Projects
 - c. Board Discussion of Resolution R2022-15, a Resolution Approving the Proposed Budget for Fiscal Year 2022-23, Including Capital Projects
7. **PUBLIC HEARING TO INTRODUCE ORDINANCE O2022-01 INCREASING WATER, SEWER AND SOLID WASTE SERVICE CHARGES AND STORM DRAINAGE AND SECURITY SPECIAL TAXES**
 - d. Presentation by Staff

- e. The Board President will open the Public Hearing for public comment on Ordinance O2022-01, Amending Chapter 14 of the District Code, Relating to Water service charges; Amending Chapter 15 of the District Code Relating to Sewer service charges; Amending Chapter 16 and Chapter 16A of the District Code Relating to Drainage Tax; Amending Chapter 21 of the District Code Relating to Security tax; and Amending Chapter 31 of the District Code Relating to Solid Waste Collection and Disposal service charges
- f. The Board President will close the Public Hearing on Ordinance O2022-01
- g. Board Discussion/Introduction of Ordinance O2022-01. *(Discussion/Action) (Motion) (Roll Call Vote)*

8. DIRECTOR COMMENTS/SUGGESTIONS

9. ADJOURNMENT *(Motion)*

"In accordance with California Government Code Section 54957.5, any writing or document that is a public record, relates to an open session agenda item and is distributed less than 24 hours prior to a special meeting, will be made available for public inspection in the District offices during normal business hours. If, however, the document is not distributed until the special meeting to which it relates, then the document or writing will be made available to the public at the location of the meeting."

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the District Office at 916-354-3700 or fax 916-354-2082. Requests must be made as soon as possible and at least two (2) full business days before the start of the meeting.

Note: This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of this posting is May 26, 2022. Posting locations are: 1) District Office; 2) Rancho Murieta Post Office; 3) Rancho Murieta Association; 4) Murieta Village Association.

RESOLUTION NO. 2022-16

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT APPOINTING HEARING OFFICER FOR EMPLOYEE R. TOMPKINS TERMINATION APPEAL HEARING

BE IT RESOLVED by the Board of Directors of the Rancho Murieta Community Services District as follows:

1. Recitals. This resolution is made with reference to the following background recitals:

(a) District employee Rick Tompkins was terminated from employment by District management. Mr. Tompkins has appealed his termination to the Board of Directors pursuant to District Personnel Manual section 12.09.

(b) Section 12.09 authorizes the Board to appoint a director to act as hearing officer and for the hearing officer to conduct the appeal hearing and render an advisory decision to the Board.

(c) The Board now desires to appoint a director as hearing officer.

2. Appointment. The Board appoints Director John Merchant to serve as hearing officer for the R. Tompkins appeal hearing pursuant to District Personnel Manual section 12.09. The hearing officer shall schedule the hearing date in coordination with the parties. The hearing shall be private and limited to the hearing officer, District General Counsel, District Secretary, court reporter (if requested by a party), the parties and their attorneys or representatives, and witnesses. Witnesses shall be excluded from the hearing room when not testifying.

3. Rules Authorized. The Board authorizes the hearing officer to (a) adopt reasonable rules and procedures to govern the appeal hearing, and (b) consider and decide prehearing motions, objections, and other matters that may be asserted or raised by either party or its counsel concerning the scope of the appeal hearing, scope of witnesses to testify, relevant evidence, other objections, or other matters. Any such hearing officer rules, procedures, or decisions must be consistent with section 12.09, the District Personnel Manual, and applicable laws and due process principles.

4. Post-Hearing Decision. After the appeal hearing, the hearing officer shall prepare findings of fact (based on and supported by the evidence received at the hearing) and an advisory decision. The findings and advisory decision shall be forwarded to the Board of Directors. The Board shall review and consider the findings and advisory decision, exercise its independent judgment on the appeal, and accept, reject, or modify the hearing officer's advisory decision or remand the matter for further proceedings before the hearing officer. There shall not be any factual hearing before the full Board. The Board's decision shall be by resolution, which shall be final and binding.

5. Director Recusal. Director Tim Maybee has personal knowledge of the facts underlying this appeal and he assisted District management staff in the employee termination process. Director Maybee therefore shall not participate in the appeal process or decision.

PASSED AND ADOPTED this 1st day of June 2022 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Randy Jenco, Vice President of the Board
Rancho Murieta Community Services District

Attest:

Amelia Wilder
District Secretary

DRAFT

RESOLUTION 2022-14

IN RECOGNITION OF RYAN WENKER

WHEREAS, Ryan Wenker began his employment with Rancho Murieta Community Services District on May 12, 2018 as a Plant Operator I; and

WHEREAS, Ryan was promoted to Plant Operator II with Rancho Murieta Community Services District; and

WHEREAS, Ryan has been a part of the success of the Community Services District; and

WHEREAS, Ryan has endeared himself with many friends and acquaintances in the District and Rancho Murieta community; and

WHEREAS, Ryan has brought respect and honor to Rancho Murieta with his act of Bravery and Selflessness on May 17, 2022 when he offered aid and assistance to the victim of a motorcycle accident on Scott Road until emergency services could arrive; and

NOW THEREFORE BE IT PROCLAIMED, this 1st day of June in the year 2022, that the Board of Directors of the Rancho Murieta Community Services District, recognizes, appreciates, and commends Ryan for his bravery and selfless acts to the community and District.

Timothy E Maybee, Board President

Randy Jenco, Vice - President

Linda Butler, Director

John Merchant, Director

Martin Pohll, Director

MEMORANDUM

Date: May 26, 2022
To: Board of Directors
From: Paula O'Keefe, Director of Administration
Subject: First Reading of the Proposed FY 2022-23 Budget and Capital Projects

RECOMMENDED ACTION

Waive the first reading of the FY 2022-23 Prop 218 Proposed Budget and Resolution R2022-15 and Ordinance O2022-01 and move the FY 2022-23 Budget and CIP for formal adoption.

BACKGROUND

Budgets for Special Districts in California must be approved by the Board of Directors before the beginning of each fiscal year. The process begins with a Proposition 218 Budget Hearing and ends with the Second Reading of the budget at a Board meeting in June. The District is required to submit the Prop 218 budget to the Residents and Commercial Businesses in Rancho Murieta at least forty-five days before the first reading of the budget at a May Board meeting.

For Fiscal Year 2022-23, the Prop 218 budget notification took place on March 30, 2022, at a Special Board meeting. After the initial presentation of the Prop 218 budget on March 30, 2022, the District has received approximately 474 letters in objection to the rate increase. While the majority of them were form letters stating the objection, there were several that asked very poignant questions. Staff provided an FAQ in response to these questions.

The total proposed revenue budget is \$8,639,229, which is an increase of \$640,241, or 8% over the previous year. Because previous years' budgets did not include significant rate increases, the District evaluated all residential and commercial rate usage and reserve contributions to determine the District's overall ability to fund capital improvement projects and increasing expenditures relating to the addition of two Accounting Technician positions, funding a previously unfunded Patrol Office position, rising maintenance and repairs costs, a significant increase in solid waste operations and increased costs associated with general liability, risk management and PERS. The total proposed expenditure budget is \$8,684,490, which is an increase of \$325,292, or 4% over the previous fiscal year end projections.

Administration

The Administration property tax allocations are used to subsidize Drainage and Security costs projected to be overspent at the end of the fiscal year, Security being the most significant subsidy for a total of \$588,271 and Drainage in the amount of \$70,446, to offset the deficit projected at the end of the fiscal year. Administration revenues are projected to be 8% higher than the previous year, primarily due to increased property taxes. Property tax allocations are increasing slightly based on the limited increase in the development of new homes and the increase in property assessment values as existing homes are sold.

Expenditures are projected to come in 9% less than the previous year based on the reallocation of insurance and risk management costs and a reduction in additional professional services costs. 100% of Administration operations are allocated to other funds based on the Cost Allocation Plan (CAP). The CAP identifies the specific percentages of support for the enterprise funds. The CAP allocates all direct and indirect costs to each of these funds based on various criteria, including the area of benefit and level of support.

Water

The Water fund revenues are the most significant revenue source for the District. Water revenues are comprised of Residential and Commercial sales and other sources of revenue, including interest income, installation and inspection fees, and late charges. The District projects a total of \$2,833,329, or an 8% increase over prior year end projections. This slight increase takes potential future water restrictions into consideration; decline in water usage results in decreased revenues.

The Prop 218 rate water increase totals 20.1% for the Residential metered lots and 22.3% for both Murieta Gardens and Murieta Village residents. The increase is primarily related to the increase in reserve contributions, up from \$14 monthly to \$25 monthly.

Water expenses are also projected to increase 5%. This increase is due to a slight increase in the Administration cost allocation, significant cost increases due to inflation, professional services and salary increases.

Sewer

Sewer revenues are projected to increase 13%, largely due to the Prop 218 rate increases. The Prop 218 rate water increase totals 26.6% for the Residential metered lots and 26.6% for both Murieta Gardens and Murieta Village residents. The increase is primarily related to the increase in reserve contributions, up from \$14 monthly to \$24 monthly.

Expenditures are also expected to increase by 11%. Costs of treatment and day do day operational expenses have increased largely due to the current economic climate. Additional increased costs in employee costs and maintenance and repairs.

Drainage

The Drainage fund revenues are subsidized by property tax revenues. This subsidy is necessary as the fund does not collect enough revenue to cover its full cost of operations, including the annual 2% CPI increased allowed through Measure K. This increase is not subject to the Prop 218 approval requirement and will take place regardless of the objection to the rate increase efforts. Currently, the Drainage revenues are projected 11% more than the previous year, at \$259,200. Drainage revenues are comprised of residential and commercial sales and do not collect a reserve fee through the utility billing.

Revenues are projected to increase by 11%; while expenditures are expected to increase 9%, for a total of \$329,646. This amount also includes the Administration subsidy of \$70,446. Drainage is expected to increase costs over the next few years due to deferred maintenance and aging infrastructure.

Solid Waste

The District contracts with California Waste Management and collects revenues to offset the cost of the contract with the vendor. The annual contract increase went from \$878,876 in the prior year to \$1,119,830, or 27% over the previous year. The 27% also includes a new Organics Waste recycling fee set to begin January 1, 2023, and a slight increase to the District's franchise fee to cover unanticipated costs associated with upcoming contract negotiations with Cal-Waste.

Security

Security is also subsidized with the District's property tax allocations. This subsidy is necessary as the fund does not collect enough revenue to cover its full cost of operations, including the annual 2% CPI increased allowed through Measure J. This year's property tax allocation is increased by \$139,755 or 30%, based on an increase in expenditures within operations. This increase is not subject to the Prop 218 approval requirement and will take place regardless of the objection to the rate increase efforts.

Annual expenditures are expected to increase by 19% as expected based on the MOU salary increases (8.5%) the funding of a previously unfunded full time Patrol Officer and current economic climate and inflation.

SUMMARY

Staff is recommending the Board waive the first reading of the budget and move the Budget to the second reading for formal adoption the FY 2022-23 Proposed Budget.

Budget Overview

A Sample Bill and draft budget summaries for each fund are attached to assist in reviewing this draft of the FY2022-23 budget. The proposed budget results in a 19.36% increase, or \$41.44 per month, on the average monthly bill for a residential metered lot.

REVENUE ASSUMPTIONS USED IN THIS PROPOSED BUDGET

1. Sacramento County property tax allocation is projected to increase using the same appraisal values from 2021 to 2022 for home sales.
2. Water consumption is projected to decrease slightly over the calendar year FY 2021-22 demands due to Governor Gavin Newsom's calls for drought restrictions.
3. Reserve contributions require necessary increases to cover increasing deferred maintenance costs, repairs, and aging infrastructure.
4. Water and Sewer rate increases total 19.36% for residential metered lots and 22.37% for Murieta Gardens and Village II residents.
5. Drainage and Security rates are increased by the legal maximum of 2%.

BUDGET EXPENSE ASSUMPTIONS

General Assumptions

1. Unrepresented salary increase pool of \$30,000.
2. Represented salary range increase of 3.5% annually over three years as prescribed by the new MOU effective January 1, 2021. Represented staff also receive a 5% annual increase based on performance objectives through the annual review process.
3. Health insurance premium increase of 10%.
4. Increase of 27% in Solid Waste contract to include a new Organics Waste recycling fee to begin January 1, 2023.
5. Increased costs of professional services due to shifting cost from reserves to operational budgets.
6. Annual contribution to OPEB Trust budget for \$185,000.
7. 21% increase in GSRMA rates.
8. Increased Unfunded Accrued Liability (UAL) PERS pension obligation.

Sample Bill

The attached Sample Bill shows the proposed rate as presented in the March 30, 2022, Special Board meeting.

Sample Bill – Proposed Impact on Average Residential Monthly Bill
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The estimated overall maximum increase is projected to be \$41.45 per month or 19.36% for an average residential customer with the proposed service charge increase and special tax adjustment beginning July 1, 2022.

Average Monthly Customer Bill			Current Monthly Rates	Proposed Monthly Rates	\$	%
Residential Metered Lot			July 1, 2021	July 1, 2022	Change	Change
Water	<i>Average Usage in CF</i>		1,426	1,426		
	Residential Base (excluding reserves)		\$38.73	\$40.28	\$1.55	4.0%
	Reserve Contribution		14.00	25.00	11.00	78.6%
	Total Residential Base		\$52.73	\$65.28	\$12.55	23.8%
old rate	Water Usage \$2.17 per 100 cubic foot		30.94			
new rate	Water Usage \$2.47 per 100 cubic foot			35.22	4.28	13.8%
	Total Water		\$83.67	\$100.50	\$16.83	20.1%
	WTP Debt Service Charge (interfund borrowing)		6.00	6.00	-	0.0%
	Sewer					
	Residential Base (excluding reserves)		46.26	52.28	6.02	13.0%
	Reserve Contribution		14.00	24.00	10.00	71.4%
	Total Residential Base		60.26	\$76.28	\$16.02	26.6%
	Solid Waste (avg. 64 Gallon Container)		27.82	31.68	3.86	13.9%
	Organic Waste Charge		-	4.00	4.00	100.0%
	Security Tax (Maximum Tax Ceiling \$31.54)		30.93	31.54	0.62	2.0%
	Drainage Tax (Maximum Tax Ceiling \$5.53)		5.43	5.53	0.11	2.0%
	Total RMCS Bill		\$214.10	\$255.54	\$41.44	19.36%

Sample Bill – Proposed Impact on Average Murieta Village and Murieta Gardens II Monthly Bill

The estimated overall maximum increase is projected to be \$36.37 per month or 22.37% for an average Murieta Village customer with the proposed service charge increase and special tax adjustment beginning July 1, 2022.

Average Monthly Customer Bill		Current Monthly Rates	Proposed Monthly Rates	\$	%
Murieta Village & Murieta Gardens II		July 1, 2021	July 1, 2022	Change	Change
Water	<i>Average Usage in CF</i>	418	418		
Residential Base		\$38.73	\$40.28	\$1.55	4.0%
Reserve Contribution		14.00	25.00	11.00	78.6%
Total Residential Base		\$52.73	\$65.28	\$12.55	23.8%
old rate	Water Usage \$2.17 per 100 cubic foot	9.07			
new rate	Water Usage \$2.47 per 100 cubic foot		10.32	1.25	13.8%
Total Water		\$61.80	\$75.60	\$13.80	22.3%
*WTP Debt Service Charge (interfund borrowing)		6.00	6.00	-	0.0%
Sewer					
Residential Base (excluding reserves)		46.26	52.28	6.02	13.0%
Reserve Contribution		14.00	24.00	10.00	71.4%
Total Residential Base		\$ 60.26	\$ 76.28	\$ 16.02	26.6%
Solid Waste (avg. 38 Gallon Container)		23.42	25.75	2.33	9.9%
Organic Waste Charge		-	4.00	4.00	100.0%
Security Tax (Maximum Tax Ceiling \$7.61)		7.46	7.61	0.15	2.0%
Drainage Tax (Maximum Tax Ceiling \$3.70)		3.63	3.70	0.07	2.0%
Total RMCS D Bill		\$ 162.56	\$ 198.94	\$ 36.37	22.37%
Vacant or Unmetered Lot					
Security Tax (Maximum Tax Ceiling \$24.74)		\$24.27	\$24.75		2.0%
** Water Standby	\$10.00 PER YEAR	\$0.83	\$0.83		0.0%
** Sewer Standby	\$10.00 PER YEAR	\$0.83	\$0.83		0.0%
Drainage Tax (Maximum Tax Ceiling \$5.53)		\$5.43	5.53		2.0%
		\$31.36	\$31.95		
	% Change over prior year		1.88%		
* This fee is not billed for the Murieta Gardens II properties due to not being part of the debt service customer base.					
** This fee is billed annually at \$10.00 and is shown as a monthly rate for comparison purposes only.					

FY 2022-23 Budget & CIP Report - Pending

RESOLUTION NO. R2022-15

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT
APPROVING THE BUDGET FOR FISCAL YEAR 2022-23**

WHEREAS, District departments have submitted estimates of budget requirements for Fiscal Year 2022-23 and those estimates have been reviewed by the General Manager and Finance Committee; and

WHEREAS, the General Manager has submitted a proposed budget with the tabulations of the estimates together with proposed revisions to the Board of Directors; and

WHEREAS, the Board of Directors has reviewed and considered the proposed budget for Fiscal Year 2022-23; and

WHEREAS, a public presentation and hearing were conducted for the budget for the Fiscal Year 2022-23 on June 1st at 2:00 p.m. in the Board Room at 15160 Jackson Road, Rancho Murieta, California.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that (1) the proposed budget for Fiscal Year 2022-23, as submitted by the District General Manager and as reviewed by the Board of Directors is a proper financial program for the budget period and constitutes the budget for 2022-23; and (2) the District's 2022-23 Budget is hereby adopted in the form as presented at this meeting and ordered filed with the County Auditor of Sacramento County in accordance with Sections 53901 and 61110 of the Government Code.

INTRODUCED by the Board of Directors on the 1st day of June 2022.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District, Sacramento County, California, at a meeting held on the 15th day of June 2022, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President of the Board
Rancho Murieta Community Services District

[SEAL]

Attest:

Amelia Wilder, District Secretary

MEMORANDUM

Date: May 31, 2022
To: Board of Directors
From: Paula O'Keefe, Director of Administration
Subject: Public Hearing – Introduce Ordinance O2022-01, Proposed Services Charge Increases and Special Tax Adjustments

RECOMMENDED ACTION

Introduce Ordinance O2022-01, an Ordinance of the Rancho Murieta Community Services District, amending Chapter 14 of the District Code relating to Water Service Charges; amending Chapter 15 of the District Code relating to Sewer Service Charges; amending Chapter 16A of the District Code relating to Drainage Special Tax; amending Chapter 21 of the District Code relating to Security Special Tax; and amending Chapter 31 of the District Code relating to Solid Waste Collection and Disposal Service Charges, waive the full reading of the Ordinance and continue to the June 15, 2022 Board Meeting for adoption.

BACKGROUND

The purpose of this rate adjustment hearing is to receive community input on the rate adjustments as well as to receive Board direction addressing adjustments based on community input. To formally adopt new rates, various chapters of the District Code will be changed by adopting the attached Ordinance O2022-01.

Rate Adjustment Overview

The proposed rate increases are based on the projected budget for the 2022-23 fiscal year. The actual rate increases may be less than but in no case more than the proposed rates provided in this notice. The proposed budget for all services: water, sewer, drainage, security and solid waste will result in a 19.36% increase (approximately \$41.45 per month) for residents inside of the gates and 22.37% increase (approximately \$36.38 per month) for residents outside of the gates. The increase in rates is largely due to increase in reserve contributions and anticipation of increased water usage.

For the District, operational costs are anticipated to increase 7.1%, or \$325,292, for fiscal year 2022-23, compared to prior year's budget. This is largely due to increases in the items listed below:

- Wages – 14%
- Employer Benefits Costs – 12%
- PERS Unfunded Accrued Liability Payment – 13%
- Liability and Workers Comp Insurance – 21%
- High inflation causing increases in infrastructure maintenance & repairs -
- Chemical costs quadrupled in FY 2021-22
- Anticipated SMUD increases

The proposed rate increase also includes Capital Replacement Reserve contributions of \$1,558,200, which is an increase of 75% over the prior year's budget. This increase addresses the number one goal of the CSD Board of Directors, to fund Reserves at 60% over the next five years.

District Maintaining Focus on Cost Efficiency

The District remains committed to providing superior community services efficiently and professionally at a reasonable cost. The District is working diligently to identify cost savings where possible to reduce the rate increase impact on all residential and non-residential customers.

A summary of the proposed rate changes by Service Change and Special Tax area follows on the next page:

How will the rate changes impact my monthly bill?

WATER

The proposed 2022-23 monthly bill increase for an average consumption residential metered lot is projected to be \$16.83 or 20.1%.

	Current Rate 2021-22	Proposed 2022-23
Base Charge (w/o reserve contribution)	\$38.73	\$40.28
Reserve Contribution	\$14.00	\$25.00
Total Base Charge	\$52.73	\$65.28
Debt Service Charge (repay internal borrowing)	\$6.00	\$6.00
Usage Charge (per ccf)	\$2.17	\$2.47
<ul style="list-style-type: none"> Non-residential customers are charged one base charge per month per meter plus the reserve contribution times their Water EDU (equivalent dwelling unit) value plus usage 		

SEWER

The proposed 2022-23 monthly bill increase for a residential metered lot is projected to be \$16.02 or 26.6%.

	Current Rate 2021-22	Proposed 2022-23
Base Charge (w/o reserve contribution)	\$46.26	\$52.28
Reserve Contribution	\$14.00	\$24.00
Total Base Charge	\$60.26	\$76.28
<ul style="list-style-type: none"> Non-residential customers are charged the base charge plus the reserve contribution times their Sewer EDU (equivalent dwelling unit) value 		

DRAINAGE

The proposed 2022-23 monthly bill increase for an average consumption residential metered lot is projected to be \$0.11 or 2.0%.

Developed Property	Current 2021-22	Proposed 2022-23	Max Rate 2022-23
Residential (per lot)			
Metered	\$5.43	\$5.53	\$5.53
Unmetered	\$5.43	\$5.53	\$5.53
The Villas	\$3.63	\$3.70	\$3.70
Murieta Village	\$3.63	\$3.70	\$3.70
Murieta Gardens	\$3.63	\$3.70	\$3.70
Non-Residential (per acre)			
1 Retail	\$27.15	\$27.69	\$27.69
2 Industrial/Whse	\$28.86	\$29.44	\$29.44
3 Light Industrial	\$22.07	\$22.51	\$22.51
4 Office	\$25.46	\$25.97	\$25.97
5 Landscape (golf course/park sites)	\$5.09	\$5.19	\$5.19
6 Murieta Equestrian Center	\$1.97	\$2.01	\$2.01
7 RMCC (club house and parking)	0.00	0.00	0.00
8 Airport	\$2.27	\$2.32	\$2.32
9 Geyer Property	\$16.98	\$17.32	\$17.32
10 Hotel/Ext Stay	\$27.16	\$27.70	\$27.70
Undeveloped Property			
Residential & Non-Residential	\$3.21	\$3.27	\$3.27

SECURITY

The proposed 2022-23 monthly bill increase for a residential metered lot inside the RMA gates is projected to be \$0.62 or 2.0%.

Developed Property	Current 2021-22	Proposed 2022-23	Max Rate 2022-23
Residential (per lot)			
Inside Gates			
Metered	\$30.93	\$31.55	\$31.55
Unmetered	\$24.27	\$24.76	\$24.76
Outside Gates	\$7.46	\$7.61	\$7.61
Non-Residential (per Building square foot)			
1 Highway Retail	\$.2789	\$.2845	\$.2845
2 Other Retail/Comm	\$.0300	\$.0306	\$.0306
3 Industrial/Whse/Lt Industrial	\$.0656	\$.0669	\$.0669
4 Office	\$.0158	\$.0161	\$.0161
5 Institutional	\$.0158	\$.0161	\$.0161
6 Public Utility	\$.0500	\$.0510	\$.0510
7 Equestrian Center	\$.0047	\$.0048	\$.0048
8 RMCC	\$.0785	\$.0801	\$.0801
9 Airport	\$.0200	\$.0204	\$.0204
10 Hotel/Ext Stay	\$.0300	\$.0306	\$.0306
Undeveloped Property (per acre)			
Inside Gates	\$26.1655	\$26.6888	\$26.6888
Outside Gates	\$3.8991	\$3.9771	\$3.9771

SOLID WASTE

The proposed 2022-23 monthly bill increase for a 64 gallon container is projected to be \$3.86 or 13.9%. Additionally, all ratepayers will be charged \$4.00 more a month, starting January 1, 2023, for the Organic Waste Charge. This increase is due to operational cost increases per contract with California Waste Recovery Services and anticipated increases in Sacramento County's landfill surcharges.

	Current Rate 2021-22	Proposed 2022-23
38 gallon container (T38)	\$23.42	\$25.75
64 gallon container (T64)	\$27.82	\$31.68
96 gallon container (T96)	\$49.20	\$53.10
Extra Cart (38 gallon)	\$9.72	\$10.44
Extra Cart (64 gallon)	\$12.61	\$13.49
Extra Cart (96 gallon)	\$27.69	\$29.53
Extra Recycle Cart	\$6.91	\$7.46
Extra Yard Waste Cart	\$6.91	\$7.46
Yard Waste Exemption	(\$2.00)	(\$2.00)
Sac County Surcharge	\$2.00	\$2.00
Organic Waste Charge (effective 1/1/2023)	N/A	\$4.00

ORDINANCE NO. O2022-01

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT, AMENDING CHAPTER 14 OF THE DISTRICT CODE, RELATING TO WATER SERVICE CHARGES; AMENDING CHAPTER 15 OF THE DISTRICT CODE RELATING TO SEWER SERVICE CHARGES; AMENDING CHAPTER 16A OF THE DISTRICT CODE RELATING TO DRAINAGE SPECIAL TAX; AMENDING CHAPTER 21 OF THE DISTRICT CODE RELATING TO SECURITY SPECIAL TAX; AND AMENDING CHAPTER 31 OF THE DISTRICT CODE RELATING TO SOLID WASTE COLLECTION AND DISPOSAL SERVICE CHARGES AND LEAF COLLECTION

The Board of Directors of the Rancho Murieta Community Services District ordains as follows:

SECTION 1. Purpose and Authority. The purposes of this ordinance are to (a) increase the District water, sewer and solid waste collection and disposal service charges in order to reflect and provide for operation, maintenance and other cost increases due to inflation, increased regulatory costs, increased costs of supplies, services, labor and benefits, and other factors, and (b) increase the District drainage special tax and security special tax to implement the voter-authorized annual adjustments. This ordinance is adopted pursuant to California Constitution articles XIII C, section 2, and XIII D, section 6, Government Code sections 61115, 61121 and 61123, District Ordinances Nos. 98-1 and 98-2, and other applicable law.

SECTION 2. Findings. The Board of Directors finds and determines as follows:

- (a) As calculated and demonstrated in the FY 2022-23 District budget, the increased service charges implemented by this ordinance have been fixed in amounts sufficient to pay the operating expenses of the District's water, sewer and solid waste operations, provide for and fund repairs and replacement of utility system works and equipment, provide for increased costs of regulatory compliance, fund financial reserves, and pay debt service and other costs.
- (b) The increased service charges are reasonably related to, and do not exceed, the District's cost of providing each of the services.
- (c) The revenues derived from the service charges do not exceed the funds required to provide the services and will not be used for any purpose other than the listed services.
- (d) The amount of the service charges imposed on each customer's parcel does not exceed the proportional cost of the particular service attributable to that parcel.
- (e) The District water, sewer and solid waste services are services that are actually used by and immediately available to the owner of each customer parcel.
- (f) No portion of these service charge increases are imposed for general governmental services.
- (g) As calculated and demonstrated in the FY 2022-23 District budget, the increased drainage and security special taxes implemented by this ordinance have been fixed in amounts as calculated and determined consistent with the annual tax adjustments as set forth in District Code chapters 16A and 21 and as authorized by the voters at the time of the approval of the special taxes.

- (h) The establishment, modification, structuring, restructuring and approval of the service charges and taxes as set forth in this ordinance are necessary and appropriate to continue to meet the District's costs for operation and maintenance, supplies and equipment, financial reserves, and capital replacement needs, and to maintain a satisfactory level of services within the District service area.
- (i) The District Board of Directors has conducted a duly noticed public hearing on the proposed service charge increases in accordance with California Constitution article XIII D, section 6, and the Board did not receive a majority protest against any of the proposed service charge increases.

SECTION 3. Service Charge and Tax Adjustments; District Code Amendments

I) The Water Code, Chapter 14, Section 7.00 Potable and Untreated Rates and Charges is amended as follows:

Section 7.05 Rates for Metered Service.

(a) General metered service shall be as follows:

MONTHLY CHARGES

Base Charge	\$ 40.28
Reserve Charge	<u>\$ 25.00</u>
Total Basic Service Charge	\$ 65.28/mo

Usage charge per 100 cubic feet:

Basic volumetric rate per 100 cubic feet	\$ 2.47/100 ccf
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(b) Metered service to residential lots at Murieta Village and Murieta Gardens II shall be as follows:

MONTHLY CHARGES

Base Charge	\$ 40.28
Reserve Charge	<u>\$ 25.00</u>
Total Basic Service Charge	\$ 65.28/mo

Usage charge per 100 cubic feet:

Basic volumetric rate per 100 cubic feet	\$ 2.47/ccf
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(c) Non-Residential metered service shall be as follows:

MONTHLY CHARGES

Basic Service Charge for non-residential shall be calculated on an EDU basis

Monthly Charges

Basic Service Charge for non-residential metered service shall be calculated on number of meters and an EDU basis for each customer multiplied by the Basic Service Charge reflected in Section 7.05(a) above.

Usage charge per 100 cubic feet:

Basic volumetric rate per 100 cubic feet	\$ 2.47/ccf
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II) The Sewer Code, Chapter 15, Section 7.00 Rates and Charges, and Collection Procedures is amended as follows:

Section 7.03 Rates and Charges for Service. The monthly service charge for each premise receiving sewer service from the District shall be:

Residential or other premises, each unit	
Base rate	\$ 52.28 per month
Reserve contribution	<u>\$ 24.00 per month</u>
Total monthly service charge	\$ 76.28 per month

Murieta Village and Murieta Gardens II, per unit	
Base rate	\$ 52.28 per month
Reserve contribution	<u>\$ 24.00 per month</u>
Total monthly service charge	\$ 76.28 per month

Non-Residential

Monthly service charge for non-residential sewer service shall be calculated on an EDU basis for each customer multiplied by the residential service charge.

III) The Drainage Code, Chapter 16A, Section 3.00 Drainage Tax, is amended as follows:

Section 3.00 Drainage Tax. Commencing July 1, 2022, property within the District shall be assessed a monthly drainage tax as follows. The maximum monthly tax rates shown reflect annual adjustments, per Section 5.00.

<u>LAND USE</u>		<u>Monthly Special Tax Rates Fiscal Year 2022-23</u>	<u>Monthly Special Tax Rates Maximum Ceiling Rate Year 2022-23</u>
DEVELOPED PROPERTY			
Residential			
-Metered Developed	Per Lot	\$ 5.53	5.53
-Unmetered Developed	Per Lot	\$ 5.53	5.53
-The Villas	Per Lot	\$ 3.70	3.70
-Murieta Village	Per Lot	\$ 3.70	3.70
-Murieta Gardens	Per Lot	\$ 3.70	3.70
Non-Residential			
-Retail	Per Acre	\$ 27.69	27.69
-Industrial/Warehouse	"	\$ 29.44	29.44
-Light Industrial	"	\$ 22.51	22.51
-Office	"	\$ 25.97	25.97
-Landscaped Areas (golf course & park site)	"	\$ 5.19	5.19
-Murieta Equestrian Center	"	\$ 2.01	2.01
-RMCC (club house & parking)	"	\$ 0.00	0.00
-Airport	"	\$ 2.32	2.32
-Geyer Property	"	\$ 17.32	17.32
-Hotel/Ext. Stay	"	\$ 27.70	27.70
UNDEVELOPED PROPERTY			
Uses Drainage System			
-Residential and Non-Residential	Per Acre	\$ 3.27	3.27

IV) The Security Code, Chapter 21, Section 5.00 Special Tax for Security Services, is amended as follows:

Section 5.03 Security Tax. Property within the District shall be assessed a monthly security tax as follows. The maximum tax rates shown reflect annual adjustments, per Section 5.05:

LAND USE		Monthly Special Tax Rates Fiscal Year 2022-2023	Monthly Special Tax Rates Maximum Ceiling Rate Year 2022-2023
DEVELOPED PROPERTY			
Residential			
Inside Gates			
- Metered	Per Lot	\$ 31.55	31.55
- Unmetered	Per Lot	\$ 24.76	24.76
Outside Gate	Per Lot	\$ 7.61	7.61
Non-Residential - Per Building Sq. Ft.			
- Highway Retail		\$ 0.2845	0.2845
- Other Retail/Commercial	"	\$ 0.0306	0.0306
- Industrial/Warehouse/Lt Industrial	"	\$ 0.0669	0.0669
- Office	"	\$ 0.0161	0.0161
- Institutional	"	\$ 0.0161	0.0161
- Public Utility	"	\$ 0.0510	0.0510
- Equine Complex	"	\$ 0.0048	0.0048
- RMCC	"	\$ 0.0801	0.0801
- Airport	"	\$ 0.0204	0.0204
- Hotel/Ext. Stay	"	\$ 0.0306	0.0306
UNDEVELOPED PROPERTY			
- Inside Gates	Per Acre	\$ 26.6888	26.6888
- Outside Gates	Per Acre	\$ 3.9771	3.9771

V) The Solid Waste Collection and Disposal Code, Chapter 31, Section 4.00 Exclusive Right of Collection, is amended as follows:

Section 4.03 Collections Rates and Billings. a. Rates: The rates for collection of Solid Waste from premises in the District shall be those rates that the Board may determine and establish from time to time by ordinance. The Board may establish rates for residential collection without establishing rates for commercial or industrial collection. The monthly service charge shall be:

(1) Garbage Collection Services	
38-gallon cart	\$ 25.75
64-gallon cart	\$ 31.68
96-gallon cart	\$ 53.10
(2) Additional Garbage Carts	
38-gallon cart	\$ 10.44
64-gallon cart	\$ 13.49
96-gallon cart	\$ 29.53
(3) Additional Recycling Cart (in excess of 1 recycled cart)	
38-gallon cart	N/A

64-gallon cart	\$ 7.46
96-gallon cart	\$ 7.46
(4) Additional Green Waste Cart (in excess of 2 green waste carts)	
38-gallon cart	N/A
64-gallon cart	\$ 7.46
96-gallon cart	\$ 7.46
(5) Sacramento County Surcharge	\$ 2.00
(6) Organic Waste Charge (effective 1/1/2023)	\$ 4.00

SECTION 4. Superseder. This ordinance supersedes prior inconsistent District ordinances, resolutions, policies, rules, and regulations concerning the subject matter of this ordinance.

SECTION 5. Effective Date. This ordinance shall take effect on July 1, 2022.

SECTION 6. Severability. If any section or provision of this ordinance or the application of it to any person, transaction or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this ordinance that can be given effect without the invalid or unenforceable provision, and to this end the provisions of this ordinance are declared to be severable.

SECTION 7. Publication. The District Secretary is directed to publish this ordinance once in a newspaper of general circulation published in the District within 15 days after the adoption of the ordinance.

INTRODUCED by the Board of Directors on the 1st day of June 2022.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District, Sacramento County, California, at a meeting held on the 15th day of June 2022, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

President of the Board
Rancho Murieta Community Services District

[seal]

ATTEST:

Amelia Wilder, District Secretary