ORDINANCE 2003-02-26-01

An ordinance by the Board of Directors of the Muir Beach Community Services District Increasing Water Rates

WHEREAS, California Constitution, Article X Section 2 provides "It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which there are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such water is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare." And

WHEREAS, the District's water rights permit requires a "Tiered rate structure", and

WHEREAS, the District' has not changed its water rate structure since the fall of 1992, while inflation and new requirements of the federal "Safe Drinking Water Act" have substantially increased the costs of general water operations, and

WHEREAS, it is the determination of the Board of Directors that it is to the benefit of the District, its residents, and the general public to have a reasonable and uniform rate policy that provides adequate funding for the operations and maintenance of the water system while fairly allocating the costs of operations and maintenance, as well as the capital benefit of having a reliable potable water supply available to the District's consumers.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Muir Beach Community Services District as follows:

Section 1. Purpose: The purpose of this ordinance is to adopt a water rate structure in compliance with terms of the District's water right permit while adequately funding the cost of water operations and maintenance, and fairly distributing the cost among the District's water consumers.

Section 2, Tiered Water Rates. All water consumers, on metered water service, shall pay a monthly charge per the following tiered rate schedule for water service:

Tier	Rate*
1	0 to 300 cubic feet (cf), a minimum charge of \$15.00
2	301 to 600 cf, \$15.00 plus \$0.0475 per cf above 300 cf
3	601 to 1,200 cf, \$29.25 plus \$0.0575 per cf above 600 cf
4	1,201 to 2,000 cf, \$63.75 plus \$0.0675 per cf above 1,200 cf
5	2,001 cf and above, \$104.25 plus \$0.0775 per cf above 2,000 cf.

^{*} The above rates are subject to the 25% consumption surcharge reserved for capital improvements, in accord with District Ordinance 2001-07-25-1, Section 3, as approved by the voters during the general election of November 2001

<u>Section 3. Severability.</u> If any section, subsection, sentence, clause, phrase, portion or part of this ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such section shall not affect the validity of the remaining portions of this ordinance. The Board of Directors hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, portion or part thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, phrase, portion or part be declared invalid or unconstitutional.

Section 4, Effective Date. This ordinance shall be effective on the date of its adoption.

Muir Beach Community Services District on	oat a regular meeting of the Board of Directors of the
Ayes:	
Noes:	
Absent:	
Steven Shaffer, President of the Board	Donovan Macfarlane, Secretary