

**ORDINANCE 01- 2012
OF THE
DONNER SUMMIT PUBLIC UTILITY DISTRICT TO
AMEND AND MODIFY ORDINANCE NO. 2008-01, SETTING SEWER
RATES AND CHARGES**

WHEREAS, the Board of Directors has analyzed and considered the current and projected cost of maintenance, operation and debt service of its sewer service facilities and the cost and expense of providing such service; and

WHEREAS, pursuant to the above, the Board of Directors deems it necessary and has determined that its sewer service rates will be increased to meet these costs and expenses for providing sewer service, maintaining, operating and paying debt service for its sewer service facilities;

NOW, THEREFORE BE IT ENACTED by the Board of Directors of the Donner Summit Public Utility District as follows:

- 1 That Section 7 of Ordinance No. 2008-01, as previously amended and modified is amended and modified and is attached as Exhibit A:

SECTION 7 – SEWER SERVICE RATES AND CHARGES

SEE ATTACHED EXHIBIT A

- 2 EFFECTIVE DATE

This Schedule of Sewer Service Rates and Charges, as set forth above in this ordinance shall become effective with the January 2012 quarterly billing.

PASSED AND ADOPTED this 14th day of February , 2012 at a Special Meeting of the Board of Directors of the Donner Summit Public Utility District by the following vote:

AYES: *Bob Sherwood, Taylor Dolph, Cathy Preis, Phil Gamick, Sara Schricke*

NOES: *None*

ABSTAIN: *None*

ABSENT: *None*

VACANCY: *None*

DONNER SUMMIT PUBLIC UTILITY DISTRICT

By: Cathy Preis
Cathy Preis
President, Board of Directors

ATTEST:

By: Robert W Sherwood
Bob Sherwood
Secretary of the Board

EXHIBIT A

Calculated wastewater rates through 2016 are shown below in Table 1. Wastewater rates are calculated on a per EDU basis for Inside CFD No. 1 customers and Outside CFD No. 1 customers. Existing customers pay full rates because they currently send wastewater flow to the WWTP. Future customers include customers that have purchased an EDU but do not yet send wastewater flow to the WWTP; as such, this category includes both Future EDUs and Expansion EDUs as defined above. Future customers pay reduced rates to cover their share of debt service and a portion of operations and maintenance expenses.

Wastewater rates for Inside CFD No. 1 customers increase primarily due to the inclusion of rehabilitation costs for the WWTP upon completion of the Project, and also small increases in operations and maintenance costs for the entire wastewater system. Project costs (the debt service for a CWSRF loan) for Inside CFD No. 1 customers are paid for through special tax payments.

Wastewater rates for Outside CFD No. 1 customers also increase due to the inclusion of rehabilitation costs for the WWTP upon completion of the Project, and small increases in operations and maintenance costs for the entire wastewater system; however their rates are primarily driven by servicing their share of the CWSRF loan repayments.

The calculated connection fee for Outside CFD No. 1 customers is also provided in Table 1.

Table 1
Calculated Wastewater Rates and Connection Fees through 2016

Rates by Customer	Current	Calculated Rates				
		2012	2013	2014	2015	2016
	<i>Effective Date</i>	<i>1/1/2012</i>	<i>7/1/2012</i>	<i>7/1/2013</i>	<i>7/1/2014</i>	<i>7/1/2015</i>
Existing Customers		<i>Charge per EDU per Month</i>				
Inside CFD No. 1	\$110.32	\$110.32	\$110.32	\$114.83	\$116.24	\$117.58
Outside CFD No. 1	\$110.32	\$127.03	\$143.06	\$164.28	\$165.69	\$167.02
Future Customers						
Inside CFD No. 1	\$45.72	\$45.72	\$46.12	\$47.99	\$48.58	\$49.13
Outside CFD No. 1 [1]	\$45.72	\$62.43	\$78.86	\$97.44	\$98.02	\$98.58

"sum in out"

[1] Connection Fee:	\$1,070	prior to April 1, 2012
<i>Outside CFD No. 1 Only</i>	\$1,772	Apr 2012 - Jun 2012
	\$2,362	Jul 2012 - Jun 2013
	\$3,542	Jul 2013 - Jun 2014
	\$5,312	Jul 2014 - Jun 2015
	\$7,672	Jul 2015 - Jun 2016