

SPALDING COMMUNITY SERVICE DISTRICT
Resolution 2023-09

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SPALDING
COMMUNITY SERVICES DISTRICT CALLING FOR A HEARING PURSUANT TO
PROPOSITION 218 REGARDING PROPOSED ADJUSTMENTS TO SEWER
SERVICE FEES**

WHEREAS, in 2012, the Board of Directors of the Spalding Community Services District (the "District") previously adopted Resolution 2012-02 which established and imposed fees for sewer services (the "Service Fees") at the rates set forth therein; and

WHEREAS, in 2022 and 2023, the District undertook a rate study to analyze the current and future revenue requirements and the rate structure that should be adopted to proportionately allocate the costs of providing sewer service to its customers (the "2023 Rate Study"); and

WHEREAS, the 2023 Rate Study determined that the existing sewer system revenues are and will be insufficient to cover: (i) current and projected increases in the operations and maintenance costs of the District's sewer systems (the "Systems"); and (ii) the capital infrastructure improvements needed to repair, replace, and update the District's aging Systems, which would include acquisition of materials and supplies; labor and administration, and maintenance of adequate cash reserves; and

WHEREAS, the District must generate revenues in an amount sufficient to cover the District's ongoing costs of the Systems' operations, maintenance, and capital facilities; and

WHEREAS, California Constitution article XIII D, section 6 ("Article XIII D") requires that, prior to imposing any increase to the Service Fees, the District provide written notice of the following information (the "Notice") to the record owner of each parcel upon which the rate increases are proposed: (i) the amount of the rates for the Service Fees proposed to be imposed on each parcel, (ii) the basis upon which the rates for the Service Fees were calculated, (iii) the reason for the rate increases to the Service Fees, and (iv) the date time and location of the public hearing (the "Hearing") on the proposed rate increases; and

WHEREAS, pursuant to Article XIII D, the Notice is required to be provided to the affected property owners not less than forty-five days prior to the Hearing on the proposed rates.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the Spalding Community Services District as follows:

1. The Board of Directors finds and determines that the foregoing Recitals are true and correct and incorporates the Recitals herein by reference.
2. The Board of Directors hereby finds and determines that the rate increases to the Service Fees set forth in Exhibit "A" attached hereto and incorporated herein by reference are to be

proposed and considered pursuant to the requirements of Article XIII D at a public hearing to be held on September 15, 2023 (the "Public Hearing").

3. The Board of Directors hereby directs the District General Manager, or her designee, to mail, no later than August 1, 2023 the Notice pursuant to the requirements set forth in Article XIII D to the record owner of each parcel upon which the rate increases to the Service Fees are proposed for imposition and any known tenant directly liable for payment of the Service Fees.

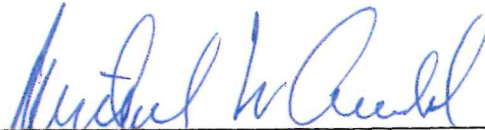
4. This Resolution shall become effective immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 31st day of July, 2023 by the following vote:

AYES: 4 Mike, Ted, Larry & Ed

NOES: 1 Randy

ABSTAIN:



Mike Arnold, President
Board of Directors
Spalding Community Services District

Attest:

Secretary of the Board of Directors,
Spalding Community Services District

Spalding Cost of Services Analysis

(RATE STUDY)

07/31/23

EXHIBIT A

It is recommended that a \$10 per month increase be utilized for the Fiscal Year 2023/2024, retroactive from July 1, 2023; and a rate increase of \$6.00 for Fiscal Year 2024/2025. There will be up to a 4% increase based on the Cost of Living Index (Fiscal Years 2024/2025 through 2027/2028).