

**RESOLUTION NO. 2007-03**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT  
RENAMING AND INCREASING THE DISTRICT'S CAPACITY CHARGES (FORMERLY  
FACILITIES FEES) PURSUANT TO GOVERNMENT CODE SECTION 66013 ST. SEQ**

**WHEREAS**, the Beaumont Cherry Valley Water District is experiencing population growth which creates a demand for future service to the District's service area; and

**WHEREAS**, with increased development the District's groundwater source will not be adequate to supply development needs; and

**WHEREAS**, the San Geronio Pass Water Agency and the Department of Water Resources are completing plans to extend the State Water Project into the District's service area; and

**WHEREAS**, the most efficient use of imported supply will require treatment; and

**WHEREAS**, the Facilities Fees adopted by Resolution 80-5 by the Board of Directors of the Beaumont Cherry Valley Water District in 1980, and amended by Resolution 89-2, Resolution 92-6, Resolution 96-8, Resolution 2002-04, Resolution 2004-10 and 2006-03 no longer adequately provides sufficient revenue to construct and upgrade source of supply, reservoirs, transmission lines and treatment plants; and

**WHEREAS** the Board of Directors authorized Raffelis Financial Consultants, Inc. to undertake a 2007 study for the purpose of determining (1) present day costs for construction and improvements to be funded as additional demand occurs and (2) recommending a revised Facility Fee (Capacity Charge) to reflect said increases; and

**WHEREAS**, on July 11, 2007, the District's Board of Directors approved the "2007 Update of Systems Development Fees Report" dated June 29, 2007 prepared by Raffelis Financial Consultants, Inc. ("RFC 2007 Report"); and

**WHEREAS**, the RFC 2007 Report is incorporated by this reference as though set forth in full and made a part of this Resolution; and

**WHEREAS**, the District desires to rename its "Facility Fees" to "Capacity Charges" so as to conform to Government Code Section 66013 (b)(3); and

**WHEREAS**, the District Board of Directors wish to increase the Districts Fees for new or extended service connections (Capacity Charges); as set forth in the RFC 2007 Report.

**NOW**, THEREFORE BE IT RESOLVED that the above recitals are incorporated and made a substantive part of this Resolution.

**RESOLVED**, Further, that the Board of Directors of the Beaumont Cherry Valley Water District hereby adopts the "2007 Update of Systems Development Fees Report" dated June 29, 2007 prepared by Raffetis Financial Consultants, Inc. and hereby adopts the new facilities fee schedule for service connections within the boundaries of the District which shall be renamed "Capacity Charges" and hereby amends the District Regulations Governing Water Service as follows:

**CAPACITY CHARGE COMPUTATIONS**

	Costs	Capacity			Capacity Charge/EDU
		mgd	AFY	EDU	
<b>Supply</b>					
Wells (1)	\$73,568,000	86		38,000	\$1,936
Water Rights (SWP) (2)	\$46,550,000		13,300	38,000	\$1,225
Water Treatment Plat (3)	\$35,000,000	10	5,600	38,000	\$ 921
Local Water Resources (4)	\$18,443,000	3.7	4,100	38,000	\$ 485
Recycled Water facilities (5)	\$53,263,000	10	9,200	38,000	\$1,402
<b>Total</b>	<b>\$226,824,000</b>		<b>14,300</b>	<b>38,000</b>	<b>\$5,969</b>
<b>Transmission (≥16") (6)</b>	<b>\$54,971,000</b>			<b>38,000</b>	<b>\$1,568</b>
<b>Storage</b>	<b>\$70,380,000</b>	<b>47.5</b>		<b>38,000</b>	<b>\$2,008</b>
<b>Booster</b>	<b>\$4,865,000</b>			<b>38,000</b>	<b>\$ 139</b>
<b>Pressure Reducing Stations</b>	<b>\$2,484,000</b>			<b>38,000</b>	<b>\$ 71</b>
<b>Miscellaneous Projects</b>	<b>\$2,186,000</b>			<b>38,000</b>	<b>\$ 62</b>
<b>Total</b>	<b>\$361,710,000</b>				<b>\$9,818</b>
<b>Financing Costs (7)</b>	<b>\$11,203,894</b>			<b>38,000</b>	<b>\$ 304</b>
<b>Total with Financing Costs</b>	<b>\$372,913,894</b>				<b>\$10,122</b>

- (1) Capacity Charge per Equivalent Dwelling Unit (EDU)
- (2) Capacity shown for the well is max day capacity for operating 12 hours a day.
- (3) Water entitlement purchase of 13,300 afy @ \$3,500/afy @ 69 percent reliability to yield an additional 10,550 afy.
- (4) Treatment plant will be operated 8 months of year to coincide with SWP deliveries.
- (5) Local water source includes capture of stormwater to yield 4,100 afy.
- (6) Recycled water facilities to yield 9,200 afy.

- (7) For transmission lines  $\geq$  18-in, the reduction cost is \$165 per EDU. The connection fee is \$9,957 per EDU.
- (8) Financing assumes interest costs at 5 % per year for 5 years assuming projects are constructed in 5 year increments

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RESOLVED FURTHER, that any reference to Facility Fees contained in the District's Rules and Regulations or other District documents shall have the same meaning as Capacity Charges; and

RESOLVED FURTHER, that the effective date of the increases adopted herein shall be September 15, 2007.

Passed and adopted at the Regular Meeting of the Board of Directors of the Beaumont-Cherry Valley Water District on September 12, 2007 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved:



Stella Parks, President of the  
Board of Directors of the  
Beaumont Cherry Valley Water District

Attest:



C.J. Butcher, Secretary to  
the Board of Directors of the  
Beaumont Cherry Valley Water District