

RESOLUTION 2022-39

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE BEAUMONT-CHERRY VALLEY WATER DISTRICT
AMENDING THE DISTRICT'S POLICIES AND
PROCEDURES MANUAL TO ADD POLICY 5031: USER
FEE COST RECOVERY**

WHEREAS, on March 18, 2009 the Board of Directors of the Beaumont-Cherry Valley Water District adopted Resolution 2009-05, establishing a Policies and Procedures Manual applicable to Board of Directors and District staff; and

WHEREAS, on December 14, 2022 the Board accepted the Miscellaneous Fees Update report compiled by Raftelis Financial Consultants dated October 27, 2022; and

WHEREAS, the Board of Directors has determined that full cost recovery is not always appropriate and desires to set some fees below 100 percent cost recovery; and

WHEREAS, the Board of Directors has reviewed and considered the addition of Policy 5031 to the BCVWD Policies and Procedures Manual attached as Exhibit A and finds the policy relevant, acceptable, and accomplishes the goal of the Board,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Beaumont-Cherry Valley Water District that the BCVWD Policies and Procedures Manual is amended to include Policy 5031 as attached hereto as Exhibit A.


ADOPTED this 14th day of December, 2022 by the following vote:

AYES: Covington, Hoffman, Ramirez, Slawson, Williams
NOES:
ABSTAIN:
ABSENT:

ATTEST:



Director Lona Williams, President of the
Board of Directors of the
Beaumont-Cherry Valley Water District



Director David Hoffman, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

Attachment – Exhibit A: Policy 5031 User Fee Cost Recovery

POLICY TITLE: USER FEE COST RECOVERY
POLICY NUMBER: 5031

5031.1 **General.** The User Fee Cost Recovery Policy allows an ongoing, sound basis for setting fees that are periodically reviewed and updated based on predetermined, researched and supportable criteria.

User fee services are those performed by the District on behalf of a private citizen or group with the assumption that the costs of services benefiting individuals, and not society as a whole, should be borne by the individual receiving the benefit. However, in some circumstances it is reasonable to set fees at a level that does not reflect the full cost of providing service but to subsidize the service.

5031.2 **Establishment of Fees.** The Board shall establish fees and charges sufficient to recover the cost of operating and maintaining service, current operational needs of the District, including the financing of capital improvements in accordance with the Capital Improvement Program, or as determined in accordance with recovery targets as established by the Board.

5031.3 Fees shall not exceed the reasonable cost of the service.

5031.4 The Board has determined that full cost recovery is not always appropriate.

5031.5 **Collection of Fees and Charges.** The District shall strive to collect all fees and charges imposed, and shall actively pursue and settle delinquent accounts.

5031.5 **Review of Fees.** At least annually, the Board shall review the rates, fees and charges for service to ensure they are set at appropriate amounts to keep pace with the costs and levels of service delivery. Adoption of the annual budget, with the fee assumptions included therein, may constitute such a review.

A comprehensive analysis of the District's costs and fees should be performed at least every five years.

5031.6 **Standards.** The Rates, fees and charges for water service and related fees are set forth in the District's Rules Governing Water Service, Part 5: Charges – Appendix A.