

## ITEM I – POLICY 5020

This brief is being provided to inform the Board, staff and public of the details of an agenda item that requires action from the Board. The President of the Board will provide board members, staff, and the public the opportunity to ask questions about this topic when this agenda item is announced.

**Date:** June 10, 2022

**Originator:** Cary Curtis and Kim Seney

**Purpose:** Proposed Sewer Rates Policy (#5020)

**Supporting Documents Included:** Yes / No Yes – proposed new policy included

### **Desired Action by the Board:**

Second reading by the board of new Policy #5020 (formerly numbered as 5010 during May 2022 Board Meeting). Discuss and approve.

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1. **Description:** Proposed Policy #5020 serves to outline the Sewer Rates if Resolution No. 2021-22-18, is passed during the June 15, 2022, GMCSD Board meeting. The proposed policy is aligned with the recent 2021/22 Rate Case work. The Rates are the result of significant analysis of revenue needed to ensure the health and continuity of the Gold Mountain sewer infrastructure.
2. **Reason for Recommended Board Action - (*Consider compliance, cost savings, fixing a problem*):** If adopted, this Policy will document the rates relating to sewer service for all customer classes, as reflected in Resolution No. 2021-22-18.
3. **Anticipated Impacts to the District (negative and/or positive) - (*Consider financial impact, change in procedures, customer and staff communication and effect if recommendations are not adopted*):** The Rates Policy reflects the rates being presented and proposed to go into effect July 1, 2022. This policy will serve as documentation of the specifics of those approved rates and how they will be applied.
4. **Anticipated Impacts to the Customer – *Standby, Residential, Commercial*:** Customers will benefit from a reliable, high quality sewer infrastructure for their properties served by the District. They will see higher costs for access to the system to meet the revenue required to sustain the District.

**Recommendation (s):** The ad hoc Policy Committee recommends that the Board perform 2<sup>nd</sup> review, discuss, and adopt the proposed new GM CSD Policy #5020 Sewer Rate Policy as presented.

Gold Mountain Community Services District

### POLICY HANDBOOK

#### D-R-A-F-T

**POLICY TITLE:** Sewer Rates

**POLICY NUMBER:** ~~5040~~ 5020

**5020.1 Purpose.** To set forth the Sewer Rate policy for the Gold Mountain CSD.

**5020.2 Background.**

Establishment of sewer accounts and subsequent billing is aligned with the community Planned Development Permit. Per the Gold Mountain Planned Development Permit, dated April 3, 1996, Condition #10, no more than one Dwelling Unit (DU) and one Guest House (GH), as defined in the Plumas County Code, shall be permitted on each Residential Lot except as may be otherwise specifically provided in the approval of a tentative map or a subordinate planned development permit.

Per the Development Permit Conditions 11 and 12, certain lots in Planning Areas 1, 10, and 14 (Commercial Residential) shall be permitted for more than one DU per lot with intervening areas in common ownership. More than one DU per lot in the designated Planning Areas requires a subordinate planned development permit.

This policy documents the Sewer Rates, reflected in Resolution No. 2021-22-18, if passed June 15, 2022, by the Gold Mountain CSD Board of Directors.

**5020.3 Definitions:**

Account Holder – a property owner, a renter, lessee, condominium association, or rental company with an account for sewer service with the CSD. The property owner has the ultimate responsibility for all sewer fees.

Commercial Lot – Lots that are not Commercial Residential or Residential. May include governmental and quasi-governmental owners.

Commercial Residential Lot – Connected Residential lots falling outside the Nakoma Community Association Covenants, Conditions, and Restrictions (CCR) defined residential lots.

Connected Lot – a lot that has connected to the District's wastewater infrastructure.

Dwelling Unit (DU) – primary structure on a Residential or a Commercial Residential Lot, intended for living or sleeping purposes with cooking and sanitation provisions.

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Equivalent Dwelling Unit (EDU) – a measurement of wintertime wastewater flow from a typical Dwelling Unit with year-round occupancy. One EDU is measured as average use of 95 gallons per day of water in the winter months between November and April, inclusive.

Guest House (GH) - an independent structure of an area of no more than 1,200 square feet, excluding garages and carports (Plumas County Code Sec. 9-2.240).

Living Unit (LU) - a building, or portion of a building on a Residential or Commercial Residential Lot, intended for living or sleeping purposes with cooking and sanitation provisions including Dwelling Units, Guest Houses, and multi-units on a commercial lot.

Residential Lot – Connected Lots permitted one Dwelling Unit and one Guest House with the total number of Living Units not to exceed two.

Unconnected Lot – a lot that has service immediately available to it but has not yet connected to the District's wastewater infrastructure.

### 5020.4 Account Status

1. Existing Residential and Commercial Residential Lots as of July 1, 2022 are grandfathered in and will continue to pay charges for a single LU, regardless of the number of LUs associated with the account. The property will be governed by this policy when sold or transferred.
2. New construction, or property changing ownership after July 1, 2002, shall be assigned one EDU per DU and GH on Residential Lots, and one EDU per LU on Commercial Residential Lots. Commercial Lots shall be assigned the number of EDUs based on the Project Engineer's estimates of wintertime water use. Once actual water use has been established (2 winter periods), the District will adjust the number of EDUs assigned to each Commercial Lot in the Project.

### 5020.5 Sewer Service Fees

#### Residential and Residential Commercial Lot Sewer Fees

1. Customer charge: A flat quarterly fee billed to the Account Holder.
2. Service charge: A flat quarterly fee billed per EDU. Each Living Unit counts as one EDU with the exception of 5020.4.1 above, whereby lots with multiple LUs are grandfathered in and will be billed for one (1) LU until the lot is sold or transferred to new ownership.
3. Flow charge: A flat quarterly fee billed per EDU.

#### Commercial Lot Sewer Fees

1. Customer charge: A flat quarterly fee billed to the Account Holder.
2. Service charge: A flat quarterly fee billed per EDU. The District assigns the number of EDUs to each Commercial Lot based on engineering plans and retains the option of adjusting the number of EDUs assigned once actual wintertime usage is established (typically two years of use).
3. Flow charge: A flat quarterly fee billed per EDU. The District assigns the number of EDUs to each Commercial Lot based on historical wintertime water use.

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Note: If use of a building changes, the District will update the calculated number of EDUs to reflect the current use of the building.

### Unconnected Lot Sewer Fees

1. Customer charge: A flat quarterly fee billed to the Account Holder.
2. Service charge: A flat quarterly fee billed for 0.75 times an EDU. Every Unconnected Lot is assigned 0.75 EDU.

See Sewer Rate Schedule approved with Resolution No. 2021-22-18 for details of actual Sewer Rates.