

ORDINANCE NO. 05

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE COACHELLA
SANITARY DISTRICT TO REESTABLISH THE CURRENT WASTEWATER
SERVICE CHARGES AND TO INCREASE THE WASTEWATER SERVICE
CHARGES COMMENCING JULY 1, 2008**

RECITALS:

WHEREAS, the Coachella Sanitary District (District) is a sanitary district duly organized and existing under and pursuant to the Sanitary District Act of 1923, Part 1 of Division 6 of the California Health and Safety Code (the "Act"); and

WHEREAS, the Board of Directors of the District (the "Board") is empowered by Health and Safety Code Section 471 to prescribe, revise and collect rates and Charges, including wastewater service charges, for services and facilities furnished by the District in connection with its wastewater system; and

WHEREAS, due to substantial increases in the cost of wastewater services incurred by the Coachella Sanitary District, the District Board wishes to increase the wastewater service charges (the "Charges") commencing July 1, 2008; and

WHEREAS, the District Board caused a report regarding the proposed Charges to be prepared by Dudek, Inc. and to be filed with the District Secretary; and

WHEREAS, the District Board identified the parcels upon which the proposed Charges would be imposed and calculated the amount of proposed Charges; and

WHEREAS, the revenues derived from the proposed Charges will not exceed the funds required to provide wastewater services and shall be used exclusively for the provision of wastewater services; and

WHEREAS, the amount of the proposed Charges will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition; and

WHEREAS, the proposed Charges will not be imposed on a parcel unless the wastewater services are actually used by, or immediately available to, the owner or of the parcel or the person directly liable for the payment of the Charges; and

WHEREAS, Article XIII D, section 6 of the California Constitution ("Article XIII D") requires that, prior to imposing the proposed Charges, the District shall provide written notice (the "Notice") by mail of the proposed Charges to the record owner of each parcel upon which the Charges are proposed for imposition and any tenant directly liable for the payment of the Charges; and

WHEREAS, pursuant to Article XIII D, such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the Charges not less than forty-five days prior to the public hearing on the proposed Charges; and

WHEREAS, on or about March 27, 2008, the District Secretary caused such Notice to be mailed to the occupant and record owner of each parcel of real property upon which the proposed Charges would be imposed, in compliance with Article XIII D; and

WHEREAS, each Notice described the amount of proposed Charges, the basis upon which the amount of the proposed Charges was calculated, the reason for the proposed Charges, and the date, time and location of a public hearing on the proposed Charges; and

WHEREAS, on May 14, 2008, at the date, time and location set forth in the Notice, the District Board conducted a public hearing on the proposed Charges and heard and considered all objections and protests thereto and at the close of the public hearing, the District Board determined that written protests had not been presented by a majority of owners of the identified parcels; and

WHEREAS, upon conclusion of the hearing, the District Board determined that (i) revenues to be derived from the proposed Charges will not exceed the funds required to provide wastewater service, (ii) revenues to be derived from the proposed Charges will not be used for any purpose other than that for which the proposed Charges will be imposed, (iii) the amount of proposed Charges imposed upon any parcel will not exceed the proportional cost of the wastewater service attributable to the parcel, (iv) no proposed Charges will be imposed unless wastewater service is actually used by, or immediately available to, the owner of the property in question, and (v) the proposed Charges will not be imposed for general governmental services including, but not limited to, police, fire, ambulance or library services where the service is available to the public at large in substantially the same manner as it is to property owners; and

WHEREAS, the District Board now desires to establish and impose the proposed Charges.

NOW, THEREFORE, THE COACHELLA SANITARY DISTRICT DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The above recitals, and each of them, are true and correct.

Section 2. Effective July 1, 2008, the District Board hereby establishes and imposes the Charges as follows:

A. Residential - For single family, multi-family, and mobile home residential users commencing with the following dates, the monthly Charge is as follows:

	7/1/2008	7/1/2009	7/1/210	7/1/2011
<i>Single Family, Multi-family & Mobile Homes</i>				
Flat Monthly Rate Per Living Unit	\$35.10	\$37.21	\$39.44	\$41.81

B. Non Residential - For commercial, industrial and institutional (non-residential) accounts, the monthly Charge is the sum of a fixed service charge and a variable commodity charge. The monthly fixed service charge recovers a portion of the

utility's fixed costs and is determined by allocating fixed costs equally to all customers and fixed capacity cost to non-residential customers in proportion to the hydraulic capacity of their water meter. The monthly commodity Charge is the product of the user. In addition, three non-residential sewage strengths categories: low, medium, and high are utilized. A full description of each classification is attached as Exhibit A. Commencing with the following effective dates, the monthly Charge is computed as follows:

Non-Residential Rates	7/1/2008	7/1/2009	7/1/2010	7/1/2011
Fixes Service Charge per Month				
5/8" water meter	\$22.38	\$23.72	\$25.14	\$26.65
3/4" water meter	\$33.56	\$35.58	\$37.71	\$39.98
1" water meter	\$55.94	\$59.30	\$62.85	\$66.63
1 1/2" water meter	\$111.88	\$118.59	\$125.71	\$133.25
2" water meter	\$179.01	\$189.75	\$201.13	\$213.20
3" water meter	\$335.64	\$355.78	\$377.12	\$399.75
4" water meter	\$559.40	\$592.96	\$628.54	\$666.25
6" water meter	\$1,118.79	\$1,185.92	\$1,257.08	\$1,332.50
Variable Commodity Charge per HCF*				
Commercial Low	\$1.67	\$1.77	\$1.87	\$1.98
Commercial Medium	\$2.87	\$3.04	\$3.22	\$3.41
Commercial High	\$11.87	\$12.58	\$13.34	\$14.14
Special/Industrial	\$6.73	\$7.13	\$7.56	\$8.01

*HFC equals one-hundred cubic feet

Section 3. To the extent that any other provision of local law relating to the establishment of wastewater charges is inconsistent with this Ordinance, the provisions of this Ordinance shall prevail.

Section 4. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance, or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Ordinance. The District Board hereby declares that it would have adopted this Ordinance, and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional, provided, however that if any decision of a court of competent jurisdiction invalidates the increase of the Charges set forth in this Ordinance, then the Charges in effect on the date of adoption shall continue in existence.

Section 5. The District Board hereby authorizes and directs the District Manager to implement and take all actions necessary to effectuate the Charges authorized as set forth above.

Section 6. The District Secretary is directed to certify to the enactment of this Ordinance and to cause this Ordinance to be published and posted as required by law.

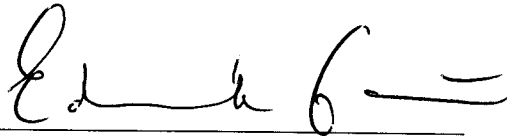
PASSED AND ADOPTED on this 28th day of May, 2008, by the following
vote:

AYES: Councilman Macknicki, Councilman Ramirez, Councilman Villarreal,
Mayor Pro-Tem Hernandez, Mayor Garcia.

NOES: None.

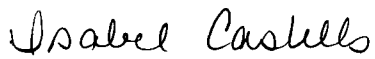
ABSTAIN: None.

ABSENT: None.



Eduardo Garcia, President

ATTEST:



Isabel Castillon, District Secretary

APPROVED AS TO FORM:



Carlos Campos, District Attorney

EXHIBIT A
NON-RESIDENIAL SEWER USER STRENGTH CLASSIFICATION

Low Strength

Soft Water Service, Office With Public Access, Car Wash, Veterinarian, Business Equipment Rental, Business Services - Other, Office (Finance, Insurance, etc.), Office (No Public Access), Office (Medical Services), Personal Services (Other), Photo & Portrait Studios, Manufacturing-Textile Mill Products, Schools, Laundromat-Public, Landscaping Services, Amusement & Recreation: Indoor & Out, Auto Parking, Barber Shop, Beauty Shop, Church (No Kitchen), Community Center (No Kitchen), Grocery Market (No Butcher or Baker), Health Spa, Kennel, Malls, Dept. Stores (No Food Services.), Manufacturing (Other), Manufacturing (Apparel & Other Textiles), Manufacturing (Furniture), Membership Organizations, Museum, Art Gallery, Nursery/Greenhouse, Office (Construction), Massage Parlor, Retail Apparel and Accessory Store, Retail Bldg. (Materials & Gardening), Retail (Packaged) Food (No Sewer Disposal), Retail Furniture & Home Furnishings, General Merchandise - Retail/Wholesale, Retail Trade - Misc. (Except Food/Drink), Storage (Warehouse & Outdoor), Studio Recording Sound Stage, Theater Auditorium (No Food), Convalescent Homes, Hospital, Other Health Services, Transportation. & Utilities (SIC 400 through 489), Agricultural Production, Agricultural Services - Other, Bar without Restaurant, Restaurant - Preprocessed Only, Social Services, and similar services not otherwise specified in this exhibit

Medium Strength

Hotel (No Restaurant), Prison with Food Service, Auto Repair (No Steam Cleaning), Auto Service Station (No Steam Cleaning), Agricultural Services - Animal, Auto/Vehicle Sales, Repair Services - Misc., Manufacturing - Rubber/Plastic Products, Manufacturing - Electric/Electronic Equipment, Manufacturing - Instruments, Manufacturing - Fabricated Metal Products, Manufacturing - Transport Equipment, Laundromat - Commercial, Transportation ~ Bus/Air Terminal, Malls/Shopping (Including Food Sales), Manufacturing - Machine Shops, Manufacturing - Metal Industry, Manufacturing (Lumber & Wood Products), Manufacturing (Stone, Clay, Glass Products), Reproduction/Mailing Service, Hotel (With Restaurant), Manufacturing - Paper/Containers, Manufacturing - Printing & Publishing, Laundry (Industrial), and similar services not otherwise specified in this exhibit

High Strength

Agricultural Production - Livestock, Mortuary, Grocery (w/Butcher or Baker), Manufacturing - Baked Foods, Restaurant/Bar (w/Food Preparation), Manufacturing - Beverages, Manufacturing - Paint, Manufacturing - Other Chemical Products, Manufacturing - Dairy Products, Steam Cleaning - Auto, Manufacturing - Other Food Products, Septage, and similar services not otherwise specified in this exhibit.