

RESOLUTION NUMBER 2023-08

RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
GOLDEN VALLEY MUNICIPAL WATER DISTRICT AUTHORIZING  
AN INCREASE IN THE MONTHLY SEWER RATE BY SAID  
DISTRICT FOR ALL DISTRICT SEWER USERS, WITH FINDINGS  
AND DETERMINATION IN CONNECTION THEREWITH

WHEREAS, the Golden Valley Municipal Water District (the "District") is a municipal water district duly formed and existing pursuant to the provisions of Division 20 of the Water Code of the State of California; and

WHEREAS, the District owns and operates a public sewer system and sewer services in accordance with scheduled rates and charges heretofore adopted by the Board; and

WHEREAS, continued use at existing rates will produce operating deficits for the District and the Board has determined that it is necessary to increase sewer rates for 2023-2024 fiscal year to be no more than 7% over and above the existing rates starting September 1, 2023, and a cumulative adjustment for the next four years starting July 1, 2024. Cumulative adjustment for fiscal years 2024-2025 7%, 2025-2026 6%, 2026-2027 6%, 2027-2028 6%.

WHEREAS, the Board has taken proceedings pursuant to Article XIID of the California Constitution and statutes there under including the holding of a public hearing at which time interested persons had the opportunity to appear before the Board and speak in favor of or against such increased rates; and

WHEREAS, a majority protest of interested persons has not been received by the Board, and the Board is duly authorized to adopt the amended rates and charges in accordance with Exhibit "A" attached hereto and incorporated herein; and

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE GOLDEN VALLEY MUNICIPAL WATER DISTRICT, LOS ANGELES COUNTY AND KERN COUNTY, CALIFORNIA, DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the recitals hereinabove are true and correct in all respects.

SECTION 2. That the Board has taken all required procedures prerequisite to establishing rates and charges for sewer services to the customers of District.

SECTION 3. That the amended rates are set forth in Exhibit "A" hereto, together with the collection procedures which have not been subject of majority protest and are hereby adopted.

SECTION 4. That the Secretary is hereby authorized and directed to notify all sewer customers of the District of the amended sewer rates forthwith.

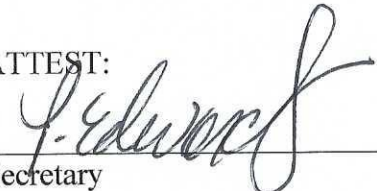
SECTION 5. That the increased sewer rates shall go into effect as of 9-1-2023.

**ADOPTED, SIGNED AND APPROVED** this 11<sup>th</sup> day of August 2023.



WILLIAM TINNEY, ~~PR~~SIDENT

ATTEST:



Secretary

AVETIS AVESYAN



ALL OF THE FORGOING, being on the motion of Director \_\_\_\_\_  
And seconded by Director Kelly Bailey, was authorized by the following  
vote, namely:

AYES: 5  
NOES: 0  
RECUSED: 0  
ABSENT: 0  
ABSTAIN: 0

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a resolution  
adopted by the Board of Directors of the Golden Valley Municipal Water District at the  
District's regular meeting on August 11, 2023.



WILLIAM TINNEY, President  
Golden Valley Municipal Water District

# EXHIBIT A

# **GOLDEN VALLEY MUNICIPAL WATER DISTRICT**

49744-3 Gorman Post Road/Mailing: P.O. Box 82

Gorman, CA 93243

Phone: 661.248.8501 Fax: 661.248.6397

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June 16, 2023

## **NOTICE OF PUBLIC HEARING:**

### **Time and Place of Hearing:**

**August 11, 2023, 4:00 p.m.**

**Golden Valley Municipal Water District**

**49744-3 Gorman Post Road**

**Gorman, CA 93243**

**Reason for notice:** The Board of Directors has reviewed the current sewer rate structure and determined that rate increases are necessary to recover sufficient revenues to operate and maintain the District's sewer system. The proposed rate structure for the sewer service fees will provide revenues that (1) recover costs reasonably borne in providing the services; (2) are equitable to all customers; and (3) are proportionate to the cost of the service attributable to the parcels within each customer.

If adopted, the increases for the sewer service fees are proposed to be effective for services provided on or after September 1, 2023, and July 1 for each subsequent year as specified with no additional required action or notice by the District.

**Reasons for the proposed rate increases:** Golden Valley Municipal Water District is dedicated to providing exceptional sewer service at the lowest possible cost while protecting the resources of our unique community. Although the District continually strives for cost reductions and improvements in its use of sewer system assets, the District must also keep pace with inflation and other cost increases, such as capital replacements. It must also maintain the systems to meet customer service levels.

The proposed sewer rate increases are necessary in order for the District to:

- (1) recover current and projected cost increases to maintain and operate the sewer system;
- (2) maintain the operational and financial stability of the sewer system;
- (3) avoid operating deficits and depletion of reserves; and
- (4) comply with state and federal regulatory requirements.

Customers receive an annual bill which shows charges for sewer services on their annual property tax roll. The proposed rates represent the maximum rates for each year of a five-year rate plan. The Board of Directors may adopt rates at a lesser amount but not higher. The proposed rate increases were developed through an analysis of the District's budget and financial information by an independent rate analyst. This information became the basis for a study that calculated the proposed rates.

**Proposed Sewer Revenue and Rate Adjustments:** The District's rate structure for the sewer service is made up of a single charge, annually, based on the relative strain each customer produces on the District's sewer system. The relative strain each customer places on the system was determined by using actual sewer flows and estimates of sewer strengths based on averages provided by the State. Sewer revenue increases are designed to keep up with inflation impacting the District's operations and maintenance costs, and renewal and replacement funding needs. Rates for all customers are based on a fixed annual charge and are structured to recover the costs of operating and maintaining the sewer system and to proportionately allocate these costs attributed to all customers. Proportionality of sewer rates are ensured through the application of relative sewer strengths and flows (determined by total water use). Customer service costs are applied evenly to all customers because they are incurred at equal amount regardless of the differences in sewer strength or flow. Fees will range between \$2,615.77 and \$38,172.49 annually depending on the level of service requirements for each customer.

**Proposed revenue adjustments and Rates:**

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Recommended Adjustment	7.0%	7.0%	6.0%	6.0%	6.0%
Multiplier	1.07	1.14	1.21	1.29	1.36
Cumulative Adjustment	7.0%	14.5%	21.4%	28.6%	36.4%

**To Protest this Increase:** Any record owner of a parcel upon which the proposed sewer service charges are proposed to be imposed or any tenant directly responsible for the payment of the sewer service fees (i.e., a customer of record who is not a property owner) may submit a written protest to the proposed increases to the rates for the District's sewer service fees; provided, however, only one protest will be counted per identified parcel. Each protest must: (1) be in writing; (2) state whether the protest is submitted in opposition to the rate increases to the sewer service fees; (3) provide the location of the identified parcel (by service address or assessor's parcel number); and (4) include the name and signature of the person submitting the written protest.

Written protests may be submitted by mail to: Board of Directors, **Golden Valley Municipal Water District 49744-3 Gorman Post Road, Gorman, CA 93243**. Written protests may also be submitted in person at the District Office, **Golden Valley Municipal Water District 49744-3 Gorman Post Road, Gorman, CA 93243** or at the public hearing. All written protests must be received prior to the conclusion of the public input portion of the Public Hearing. Any protest submitted via e-mail or other electronic means will not be accepted as a formal written protest. Please identify on the front of the envelope for any protest, whether mailed or submitted in person, **Attn: Public Hearing on the Proposed Increase to Sewer Rates**.

The Board of Directors will consider all written protests submitted and hear and consider all public comments made at the public hearing. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest. At the conclusion of the public hearing, the Board of Directors will determine whether to adopt the proposed rate increases to the sewer service fees. If, after the close of the public hearing, written protests against any of the proposed rate increases as outlined above are not presented by a majority of the record owners of the identified parcels upon which they are proposed to be imposed, the Board of Directors will be authorized to impose the rate increases. Pursuant to Government Code Section 53759, a judicial action to challenge any new, increased, or extended fee or charge must be brought within 120 days of the final approval of the fee or charge.