

# ORDINANCE 2003-A

## THE ADOPTION OF AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE NORTH OF THE RIVER MUNICIPAL WATER DISTRICT INCREASING ITS RETAIL WATER RATES

- WHEREAS,** the purpose of the adoption of this Ordinance 2003-A is to increase Retail Water Rates by approximately 5%, or as otherwise listed in the attached rate sheet; and
- WHEREAS,** the reason for this action is due to the increased cost of purchased wholesale water from the Kern County Water Agency as well as increasing power and other costs; and
- WHEREAS,** the reason for this increased cost is to pay for the \$6,000,000 of Federally required improvements being made to the Henry C. Garnett Treatment Plant, and the outfitting of supplementary water supply wells for drought years; and
- WHEREAS,** the reasons for these improvements are changing State and Federal Regulations affecting water quality and supply; and
- WHEREAS,** the wholesale cost of water charged by the Kern County Water Agency to the District will be increased from \$68 per acre-foot to \$81.00 in year one of the increase; to \$96 per acre-foot in year two; to \$115 per acre-foot in year three; and to \$136 per acre-foot in year four; and
- WHEREAS,** the District must raise its rates over these same four years to cover these additional costs; and
- WHEREAS,** this year's increase is for year four of this four year program; and
- WHEREAS,** it is in the public interest that the District's expenses be reasonable and appropriate, and the District is adequately funded in accordance with State Law, and therefore this ordinance will also allow for inflationary increases as determined by the Board of Directors at its June Regular Board meeting, or subsequently scheduled meeting, of each year, up to the percentage increase set forth for the previous twelve month period ending in the month of March of each year, using the Bureau of Labor Statistics Los Angeles -Anaheim -Riverside Index; and
- WHEREAS,** Government Code Sections 66000 et seq., Water Code Section 71590 et seq., and 71616 et seq., and Health and Safety Code Section 5470 et seq., authorized the Board of Directors of a Municipal Water District to set rates and charges in accordance with this statute and other applicable law; and
- WHEREAS,** a notice of the Public Hearing was printed in the Bakersfield Californian once per week, for two weeks prior to the scheduled hearing date; and
- WHEREAS,** a copy of Resolution 2003-04 regarding this increase was mailed to all District customers;

**NOW, THEREFORE BE IT RESOLVED** by the **Board of Directors** of the **North Of The River Municipal Water District** that:

1. The above recitals are true and correct.
2. The retail water rates be increased to the amounts as shown on the attached rate sheet designated as Exhibit 1 effective June 1<sup>st</sup>, 2003.
3. The Board of Directors may, at its June Regular Meeting, or subsequently scheduled meeting, of each year, increase the rates in response to inflation, up to the percentage increase set forth for the previous twelve month period ending in the month of March of each year, using the Bureau of Labor Statistics Los Angeles -Anaheim -Riverside Cost of Living Index.

This Ordinance was duly **PASSED** and **ADOPTED** by **BOARD OF DIRECTORS** of the **NORTH OF THE RIVER MUNICIPAL WATER DISTRICT**, 4000 Rio Del Norte, Bakersfield, California, at a **Regular** meeting thereof held on the **20th** day of **May, 2003** by the following **roll-call** vote to wit:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAIN:**

**DIRECTORS:**

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**DONALD GAGE, PRESIDENT/BOARD OF DIRECTORS**

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**WILLIAM R. MILLER, SECRETARY/BOARD OF DIRECTORS**