RECOMMENDED ACTION AND JUSTIFICATION:  
(Policy Item: Yes No _ X )

PUBLIC HEARING

Conduct a public hearing regarding proposed increase in sewer service fees charged in the Coulterville Service Area.

Staff and the Coulterville Advisory Committee recommend an increase in sewer fees to adequately cover the operational costs for services to the District. Regulatory requirements and the cost to properly maintain adequate sewer services has increased to the point that the current fee structure cannot cover the cost of operations. This proposed rate change does not include the cost to upgrade the sewage treatment/disposal system. Fee increase would be effective August 1, 2000.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board routinely holds public hearings to consider service rate changes. The last rate change for sewer in Coulterville was January 1, 1998, raised from $22.00 flat to $32.79 per EDU per month.

On November 2, 1999 the Board voted to continue the hearing to January 11, 2000 in Coulterville.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

If the Board does not grant the increase, services will have to be minimized which will seriously jeopardize the viability of the system and could ultimately be cause for state intervention.

<table>
<thead>
<tr>
<th>COSTS:</th>
<th>(X) Not Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Budgeted current FY&gt;</td>
<td>$</td>
</tr>
<tr>
<td>B. Total anticipated Costs&gt;</td>
<td>$</td>
</tr>
<tr>
<td>C. Required additional funding&gt;</td>
<td>$</td>
</tr>
<tr>
<td>D. Internal transfers&gt;</td>
<td>$</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SOURCE:</th>
<th>( ) 4/5th Vote Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Unanticipated revenues&gt;</td>
<td>$</td>
</tr>
<tr>
<td>B. Reserve for contingencies&gt;</td>
<td>$</td>
</tr>
<tr>
<td>C. Source description: &gt;</td>
<td>Balance in Reserve Contingencies, If Approved: $</td>
</tr>
</tbody>
</table>

SPECIAL INSTRUCTIONS: 
List the attachments and number the pages consecutively:

1. Notice of Public Hearing
2. Allocation of Budgeted Sewer Expenses
3. Category Calculations
4. Rate Proposal
5. Memo Price to Petropulos dated June 8, 2000

CLERK'S USE ONLY

Res. No. 3248 Ord. No.: 
Vote - Ayes: Noes:
Absent: Abstained: 
Approved Denied 
3 Minute Order Attached No Action Necessary 
The foregoing instrument is a correct copy of the original on file in this office
Date: 
ATTEST: 
MARGIE WILLIAMS, Clerk of the Board 

ADMINISTRATIVE OFFICER'S RECOMMENDATION:

This item on agenda as:

Recommended
Not Recommended
For Policy Determination
Submitted with Comment
Returned for Further Action

Comment: 

C.A.O. Initials: 

Deputy
MARIPosa COUNTY BOARD OF SUPERVISORS
MINUTE ORDER

TO: JIM PETROPULOS, Public Works Director
FROM: MARGIE WILLIAMS, Clerk of the Board
SUBJECT: Sewer Service Fees Charged in Coulterville Service Area; Res. 00-249

THE BOARD OF SUPERVISORS OF MARIPosa COUNTY, CALIFORNIA,
ADOPTED THIS Order on July 11, 2000

ACTION AND VOTE:

10:40 a.m. Jim Petropulos, Public Works Director;
PUBLIC HEARING to Consider Increase in Sewer Service Fees Charged in the Coulterville Service Area
(Continued from 1/11/00)

BOARD ACTION: Jim Petropulos presented the staff report. Jim Petropulos, Marty Allan/PWD-Fleet/Fiscal Manager, and Clif Price/PWD-Facility Maintenance Manager, responded to questions from the Board relative to the additional $20,000 in the budget this year for repairs and whether the increase in fees would cover these costs over a period of time; use of the Utility Capital Fund; whether any of the rate increase adds to the reserves; and relative to maintaining a sufficient reserve to cover unanticipated costs.

Public portion of the hearing was opened and input was provided by the following.

Joan Tune expressed concern with the use of the Utility Capital Fund – she feels the fund balance is being depleted too quickly; and she asked what new requirements or regulations make this fee increase necessary. She asked if grants are available for maintenance and repairs to the system, and whether the grants are being pursued. Staff responded to her questions.

Walt McClary stated he does not feel that the Advisory Committee unanimously consented to the recommended fee increase, and he asked how many times the Committee met.

Joe Brundage asked if the system is up to date to bring in new industry. Staff responded and advised of the assessment on the system that allowed for a re-rating for increased use.

Lyle Turpin asked about the capacity for the system and past discrepancies in the water and sewer usage.

Walt McClary asked whether the percentages have been corrected in Mr. Blair’s report, and he asked about getting a better accounting from the County of work and costs for the district.

Joan Tune stated she feels that having more information would go a long way toward assisting them in understanding the costs.
A member of the audience asked why it takes two staff people to read the meters. Joan Tune suggested that the meters be marked to identify their location. Walt McClary suggested painting the top of the meter box and marking the location with a blue reflector.

Public portion of the hearing was closed and the Board commenced with deliberations. (M)Balmain, (S)Reilly, Res. 00-249 adopted approving the recommended increase in sewer fees for the District/Ayes: Unanimous. Hearing was closed.

cc: Ken Hawkins, Auditor
Jeff Green, County Counsel
File
MARIPOSA COUNTY BOARD OF SUPERVISORS

MINUTE ORDER

TO: MIKE EDWARDS, Public Works Director
FROM: MARGIE WILLIAMS, Clerk of the Board
SUBJECT: Sewer Service Fees Increase in the Coulterville Service Area

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA,

ADOPTED THIS Order on January 11, 2000

ACTION AND VOTE:

5:09 p.m. Mike Edwards, Public Works Director,
PUBLIC HEARING to Consider Increase in Sewer Service Fees Charged in the Coulterville Service Area
(Continued from 11/2/99)
BOARD ACTION: Mike Edwards presented the staff report, and he advised that this hearing was
continued from November 2, 1999. He reviewed the noticing and distribution of information for this
hearing. He reviewed the financial status of the District, and he recommended that the increase in fees be
effective February 1, 2000.

Public portion of the hearing was opened and input was provided by the following.

Charles Serini, Yosemite Gold Country Motel, stated the sewer and water costs are higher than the
electric bill, and in the slow season, only their income goes down. He stated he does not feel that the rates
are fair under the EDU method. He feels the sewer rates should be charged based on the water usage – this
way everyone pays the same rate.

Nancy Serini asked why the increase in rates is being proposed so close to the last increase, and what
would happen if the rates do not increase. She further advised that someday the Motel will close because
they cannot afford the rates.

Mike Edwards clarified that it has been two years since the last increase, and that the Advisory Board
considered not increasing the rates at this time; however, it was determined to make more frequent rates
increases in smaller amounts to lessen the impact on the user.

Joan Tune asked what the new regulations are that impact the District financially and about the
balance in the Utility Capital Fund. She also asked about the status of the Reserve Fund. She noted that the
Advisory Board’s recommendation was adopted by two members, as there were only three members present
at the meeting and one voted “no.”
Clif Price, PWD/Facility Maintenance Manager, advised of new waste water discharge requirements for more tests and more frequent tests. Mike Edwards advised the $500 was included in the request for these testing requirements changes. Marty Allan, PWD/Fleet-Fiscal Manager, advised that the Utility Capital Fund balance is approximately $70,000.

Walt McClary asked when the last outside audit was performed for the District.

Janet Hogan, County Administrative Officer, advised that the overall County audit each year includes review of the District. The last audit was performed by Vargas and Lopez and the new audit is just being completed by Willis and Walsh.

Joan Tune asked for information on how the audit is conducted.

Mary Sherlock stated she feels the amount set aside in the Contingency Fund is high, and she feels the EDU method is not fair. She feels the commercial users pay too much.

Mike Edwards advised that they recommend that the Contingency Fund be ten percent of the operating budget and that the Advisory Board is studying alternatives to the EDU method.

Frank Shannon, Coulterville Café and RV Park, stated their businesses depend on seasonal trade, and he asked if there is consideration of giving variances during the off-season.

Mike Edwards advised that seasonal issues are being reviewed.

Joan Tune stated she agrees with Mary Sherlock relative to the EDU system not being the fairest system; however, she stated certain business people in the community forced this system.

Frank Shannon asked if the EDU system is the common way of handling fees for sewer and water services.

Mike Edwards advised that the EDU system is common for many districts.

Janelle Shannon stated she feels there needs to be a fairness between the rates for the businesses and the residences. As a member of the Advisory Board, they have tried to address the issues and be fair. She has several businesses in town and the EDU system is not fair for them – she feels it is most fair for the residences.

Walt McClary stated he would like to see the Board direct Public Works to provide the District with an accounting every month of the man hours and work that has been performed in the District. He noted that were told by a previous County Administrative Officer that this could be done and they are still waiting for the information.

Public portion of the hearing was closed and the Board commenced with deliberations. Staff responded to questions from the Board relative to the EDU system, frequency of review of the rates; balance in the Utility Capital Fund and Contingency Fund and use of those funds; relative to cost for replacing pumps and other equipment; when the cost of the new testing regulations would be known; consideration of the vacancy rate in the fee structure; and relative to conducting a audit of the District.

Frank Shannon asked what the cost of an audit would be. Staff advised that the cost would be approximately $4,000 to $6,000.

Supervisor Parker requested that the hearing be continued for six months, and he asked the citizens to work with staff and help the Board to find a solution to the issues that have been raised. Hearing was continued to July 11, 2000, at 10:00 a.m. at the Coulterville Community Club in Coulterville. Jeff Green, County Counsel, noted that a recommendation would need to be received from the Advisory Committee at least thirty days prior to July 11th. He also advised that he will review the noticing requirements for continuing the hearing for six months.

The citizens thanked the Board for meeting in Coulterville. Joan Tune urged the citizens to be aware of the Advisory Board’s meetings and to participate – their next meeting will be held on January 19, 2000, at 6:30 p.m. Mr. Serini commented on a meter system used in Illinois and advised that he will obtain information on that system for the District to consider.

cc: Jeff Green, County Counsel
    Ken Hawkins, Auditor
    Coulterville Advisory Committee
    File
TO: MIKE EDWARDS, Public Works Director
FROM: MARGIE WILLIAMS, Clerk of the Board
SUBJECT: Proposed Increase in Sewer Service Fees in the Coulterville Service Area

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA,
ADOPTED THIS Order on November 2, 1999

ACTION AND VOTE:

10:37 a.m. Mike Edwards, Public Works Director;
   A) PUBLIC HEARING to Consider Increase in Sewer Fees for Coulterville County Service Area

BOARD ACTION: Mike Edwards presented the staff report and advised of input received at the Advisory Board meeting requesting that this hearing be continued to a meeting in Coulterville. Supervisor Balmain advised that he is also requesting that this hearing be held in Coulterville. Staff responded to questions from the Board relative to the recommended fees and alternatives, and relative to obtaining a recommendation from the Advisory Board and a consensus of the community. Hearing was continued to January 11, 2000, at 5:00 p.m. to be held in Coulterville.

cc: Jeff Green, County Counsel
    Ken Hawkins, Auditor
    Coulterville Advisory Committee
    File