

RESOLUTION 2012-11

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, REVISING THE DISTRICT'S RULES AND REGULATIONS FOR WATER AND WASTEWATER CONNECTION—ADMINISTRATIVE AND CAPACITY FEES FOR RECONSTRUCTED PROPERTY

WHEREAS, the Lake Arrowhead Community Services District (“District”) is organized and operates pursuant to California Government Code section 61000 et seq.; and

WHEREAS, the current state of the economy continues to serve as a major impediment to the quick reconstruction of properties previously damaged or destroyed by natural causes such as fire, earthquake, or earth failure; and

WHEREAS, owners of properties where structures have been damaged or destroyed by natural causes are sometimes required to pay the full amount of the initial connection--capacity and administrative fee if reconnecting, even if the same number of fixtures are in the reconstructed property as the original property, or if the meter size is the same; and

WHEREAS, the Board of Directors has determined that there is a significant benefit to provide economic relief to owners of properties who are seeking to reconstruct buildings damaged or destroyed by natural causes on parcels that were once connected to the District; and

WHEREAS, in order to stimulate the reconstruction of residential properties destroyed or damaged by natural causes, staff proposes that the Board of Directors amend its connection--administrative and capacity fee policies for reconstructed properties with former water and/or sewer connections by allowing such property owners to reconnect upon the payment of all fees that would have been paid had the properties remained connected, or upon payment of the current connection--administrative and capacity fee, minus any previously paid connection--administrative and capacity fee, whichever is less; and

WHEREAS, owners of properties seeking to reconnect would still have to pay the physical, inspection and equipment fees; and

WHEREAS, if such owners seek to add fixtures or upgrade to a larger water meter, owners would still have to pay the applicable fees for any such increase or upgrade; and

WHEREAS, this policy change also produces other notable benefits such as promoting reconstruction by owners on previously developed footprints thus reducing the incentive to build on undeveloped land; and

WHEREAS, this policy change also decreases the incentive of owners to keep accounts open to avoid paying the connection—administrative and capacity fees down the road. When unused connections continue to persist, without any near term possibility of reconstruction, these connections simply add to the administrative and maintenance costs of the District due to the continuing need for inspection, maintenance, and/or repair of these connections due to on-going risks of leaks, tampering, and/or vandalism; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Lake Arrowhead Community Services District makes the following revisions to the District’s Rule and Regulations:

1. Section 5.25.8 of the Rules and Regulations is amended to read as follows:

5.25.8 Where a structure on a property is reconstructed and there is a subsequent request by an Owner to reconnect to the Wastewater System after rebuilding, the Owner shall pay those reconnection fees set forth in Section 6.11.1 of these Rules and Regulations.

2. Section 6.11.1 of the Rules and Regulations is amended to read as follows:

6.11.1 Notwithstanding Section A.9.1 of Exhibit A to these Rules and Regulations, the Wastewater System Fees, where property is reconstructed after being destroyed by natural causes and the Sewer connection has been abandoned and there is a subsequent request by an Owner to reconnect to the Wastewater System with the same EDU connection after reconstruction, the Owner may reconnect upon payment of all fees that would have been otherwise paid had the property remained connected, or the current connection--administrative and capacity fee minus any previously paid connection--administrative and capacity fee, whichever is less; plus all other fees for connection to the system. If the EDU count for the subject property increases, the Owner shall pay any additional fee applicable to the EDU count increase.

3. Section 7.23.7 of the Rules and Regulations is amended to read as follows:

7.23.7 The cost of a connection--administrative and capacity permit for property to be reconnected to the system after reconstruction after three years after its destruction or demolition, is set forth in Section 8.10.3 of these Rules and Regulations.

4. Section 8.10.1 of the Rules and Regulations is amended to read as follows:

8.10.1 Where a water connection has been abandoned in compliance with Section 7.22 of these Rules and Regulations and the current Owner subsequently requests a reconnection to the Water System and the subject structure has not been destroyed or demolished by natural causes, the Owner is subject to the current connection fees minus any previous connection fees that have been paid, as stated in Exhibit B, Section B.9 of these Rules and Regulations.

5. Section 8.10.3 of the Rules and Regulations is added as follows:

8.10.3 Notwithstanding Section B.9.1 of Exhibit B to these Rules and Regulations, the Water System Fees, where an Owner seeks to reconstruct structures on a parcel where the structures have been destroyed or damaged by natural causes and there is a subsequent request by an Owner to reconnect to the Water System with the same or smaller meter as when previously connected, (or a ¾” meter if the prior meter was a 5/8” meter) more than three years after such destruction or damage, the Owner shall pay all fees that would have been otherwise paid had the property remain connected, including supplemental water fees, or the current connection--administrative and capacity fee, minus any previously paid connection--administrative and capacity fee, plus the supplemental water buy-in fee, whichever is less. If the new meter is larger, the Owner shall pay any increased connection--administrative and capacity fee due to the meter size increase. All other current fees for connection to the system shall also be paid.

6. If any section, subsection, clause or phrase in this Resolution or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution or the application of such provision to other persons or circumstances shall not be affected thereby. The Board hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstances was held invalid.

[SIGNATURES ON FOLLOWING PAGE]

PASSED AND ADOPTED at a regular meeting of the Governing Board of the District held on the 14th of August, 2012 by the following votes:

AYES: Butler, Goss, Thompson, Wagner, and Wurm

NOES: None

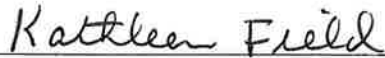
ABSTAIN: None

ABSENT: None



Ralph Wagner, President of the Board of Directors of the Lake Arrowhead Community Services District

ATTEST:



Kathleen Field, Secretary of the Lake Arrowhead Community Services District and to the Board of Directors

CERTIFICATION

I, Kathleen Field, Secretary to the Board of Directors of the Lake Arrowhead Community Services District, hereby certify that the foregoing **Resolution No. 2012-11** was duly and regularly adopted at a regular meeting of the Board of Directors of the Lake Arrowhead Community Services District on **August 14, 2012**.

AYES: Butler, Goss, Thompson, Wagner, and Wurm

NOES: None

ABSTAIN: None

ABSENT: None

Kathleen Field

**Kathleen Field, Secretary of the
Lake Arrowhead Community Services
District and to the Board of Directors**