

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 17-

**DETERMINING RAW SURFACE WATER, TREATED WATER, AND SOUTH COUNTY
RECYCLED WATER CHARGES
FOR FISCAL YEAR 2017-2018**

WHEREAS, the Board of Directors of the Santa Clara Valley Water District (District) does find and declare as follows:

1. That pursuant to Section 26.5 of the Santa Clara Valley Water District Act ("District Act"), a written report detailing the District's activities in the protection and augmentation of the water supplies of the District, including a recommendation as to charges for surface water that should be imposed in any zones W-2 and W-5 of the District during the ensuing fiscal year;
2. That on February 24, 2017, written notice was mailed to all owners and operators of raw surface water-producing facilities within the District's boundaries, advising of the proposed raw surface water charge rates to be levied, and of the opportunities to be heard concerning such charges, including the right to file a written protest objecting to any applicable proposed increase;
3. That pursuant to Section 26.6 of the District Act, on the 11th day of April 2017, at 1 p.m. in the Santa Clara Valley Water District Boardroom located at 5700 Almaden Expressway, San Jose, a public hearing upon said report was duly commenced and was continued for further hearing to the evening of April 13, 2017 (in Morgan Hill) and again to the evening of April 25, 2017 (in San Jose), whereupon the hearing was concluded;
4. That during said public hearing, additional information and evidence was provided that was considered by the Board in making this decision;
5. That the charges established by this resolution are for the purpose of paying the cost of constructing, maintaining and operating facilities to import water into the District, paying the cost of purchasing imported water, paying the cost of constructing, maintaining and operating facilities for groundwater recharge, surface distribution, and the purification and treatment of water, and paying the principal and interest of any bonded indebtedness or other financial obligations of the District incurred for those purposes;
6. The record owners of raw surface water producing facilities were given the opportunity to file a written protest objecting to the proposed raw surface water charge increase;
7. That this Board considered all protests objecting to the proposed raw surface water charge increases for Zones W-2 and W-5, respectively, and after the close of the hearing determined that written protests were not received from more than 50 percent of the record owners of surface water facilities in either Zone W2 or Zone W5; and
8. That CEQA does not apply to approval of these charges pursuant to statutory exemption California Code of Regulations Title 14, Chapter 3, Section 15273 because, as identified

in the District's annual report on the protection and augmentation of the water supplies of the District, the charges are expressly made for the purpose of:

- a. Meeting operating expenses, including employee wage rates and fringe benefits,
- b. Purchasing or leasing supplies, equipment or materials,
- c. Meeting financial reserve needs, and
- d. Obtaining funds for capital projects necessary to maintain service within existing service areas.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of Santa Clara Valley Water District that, subject to the provisions of a minimum charge as set forth in Item 5 below, the charges to be applied in fiscal year 2017-2018 (July 1, 2017–June 30, 2018) for raw surface water of the District, which includes a Basic User Charge and charge for watermaster service, and, where applicable for capital cost repayment and the area within which such charges shall be applied, will be as follows:

1. The Basic User Charge per acre-foot for raw surface-delivered water in Zone W-2 is:

Water Other Than Agricultural	Agricultural Water
\$1,175.00	\$25.09

2. The Basic User Charge per acre-foot for raw surface-delivered water in Zone W-5 is:

Water Other Than Agricultural	Agricultural Water
\$418.00	\$25.09

3. The charge for watermaster service throughout the District whether such service is for agricultural water or for water other than agricultural water shall be \$33.36 per acre-foot.
4. The minimum charge for water other than agricultural water in Zone W-2 shall be \$881.25 per fiscal year or part thereof, and in Zone W-5 shall be \$313.50 per fiscal year or part thereof; and
5. The minimum charge for agricultural water in Zone W-2 shall be \$18.82 per fiscal year or part thereof, and in Zone W-5 shall be \$18.82 per fiscal year or part thereof; and
6. Charges (including minimum charges) per acre-foot for surface water delivered to users in the District outside of either Zone W-2 or Zone W-5 shall be the same as those imposed within the zone to which the user's turnout is most nearly located.

BE IT FURTHER RESOLVED upon due review of anticipated costs and revenues of the District, the following rate schedule in dollars per acre-foot for the delivery of treated water is hereby established as the Contract Treated Water Charge, which is comprised of the Basic User Charge and the Treated Water Surcharge for the 2017-2018 fiscal year (July 1, 2017 – June 30, 2018):

Charge	Amount
Basic User Charge	\$1,175.00
Treated Water Surcharge	<u>\$ 100.00</u>
Contract Treated Water Charge	\$1,275.00

BE IT FURTHER RESOLVED that the price to be charged per acre-foot for recycled water from the South County Regional Wastewater Authority Facility at Gilroy shall be the following for the 2017-2018 fiscal year (July 1, 2017–June 30, 2018):

Water Other Than Agricultural	Agricultural Water
\$398.00	\$48.88

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on May 9, 2017.

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

By: _____
JOHN L. VARELA
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors

THIS PAGE INTENTIONALLY LEFT BLANK