

RESOLUTION 07-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF LINDEN COUNTY WATER DISTRICT AMENDING RESOLUTION 05-01 TO ADJUST SEWER AND WATER CONNECTION FEES

WHEREAS, Resolution 05-01, amending Ordinance 87-12 establishing sewer and water connection fees and miscellaneous administrative charges, was adopted by the District Board of Directors on February 15, 2005;

WHEREAS, District staff and the District engineer have studied the components of the District's sewer and water connection fees and determined that the calculations for each component comprising the existing connection fees do not reflect the actual costs of labor and materials to connect new water and sewer services to the respective District systems, reimburse existing customers for their past investment in the District's water and sewer systems, and permit the maintenance of prudent reserves against the costs of future replacements and upgrades;

WHEREAS, the Board of Directors finds that the District's sewer and water connection fees established in Ordinance 87-12, as amended by Resolution 05-01, do not adequately reflect the following fee components: (1) the full costs to the District to connect new services to the District's sewer and water systems; and (2) the amount necessary for new sewer and water system users to buy into those systems, including amounts necessary to compensate existing users' investments and to maintain a prudent reserve for replacement costs and system upgrades; and

WHEREAS, as a result of staff and the engineer's determinations and its findings, the Board has concluded that it is necessary to increase the District's sewer and water connection fees to preserve its ability to provide new service and to maintain existing capacity in the District's sewer and water systems for all users.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Linden County Water District that its sewer and water connection fees shall be adjusted as follows:

1. Water Connection Fee. The District's connection fee for new water services is hereby established as \$5,723 per Equivalent Dwelling Unit (EDU). An Equivalent Dwelling Unit (EDU) for water is defined as a typical single-family residential unit in Linden, which is served by a $\frac{3}{4}$ inch meter with a maximum daily use during the summer months of 1,400 gallons per day (gpd). For commercial units that use more than a maximum average of 1,400 gpd, the Manager will determine the number of EDUs required for the new water connection by estimating the new service applicant's water use on the maximum summer day (based on typical use pattern for the type of service and size of the structure and/or business to be served) and dividing the estimated use by 1,400

gpd. The resulting water connection fee for a multi-EDU applicant will be determined by multiplying that quotient, rounded up to the nearest one unit, by the fee for a single EDU.

2. Sewer Connection Fee. The District's connection fee for new sewer services is hereby established as \$6,401 per Equivalent Dwelling Unit (EDU). An Equivalent Dwelling Unit (EDU) for sewer is defined as a typical residential unit in Linden, which discharges a maximum average of 300 gallons per day (gpd) during the maximum month. For commercial units that discharge more than a maximum average of 300 gpd, the Manager will determine the number of EDUs required for the new sewer connection by estimating the new service applicant's average sewage flow for the maximum month (based on typical use pattern for the type of service and size of the structure and/or business to be served) and dividing the estimated flow by 300 gpd to determine the number of EDU's. The resulting sewer connection fee for a multi-EDU applicant will be determined by multiplying that quotient, rounded up to the nearest one unit, by the fee for a single EDU.

3. Annual Adjustment of Connection Fees. As of January 1 of each year beginning January 1, 2008, the General Manager shall automatically adjust the District's water and sewer connection fees. The annual adjustment shall be made by multiplying the prior year's water and sewer connection fees by the annual escalation factor published by the Engineering News-Record in its Construction Cost Index (ENR-CCI) for the most recent time period available. In the event that the ENR-CCI is unavailable or is no longer published, the General Manager may use the most recent escalation factor published by the United States Department of Labor, Bureau of Labor Statistics in the applicable Consumer Price Index or other generally-accepted cost inflation index as may then be available.

4. Superseder. To the extent that the provisions of this Resolution may be inconsistent or in conflict with the provisions of any prior District ordinances, resolutions, rules or regulations governing the same subject, including Ordinance 87-12 and Resolution 05-01, the provisions of this Resolution shall prevail with respect to the subject matter hereof and all inconsistent or conflicting provisions of prior ordinances, resolutions, rules or regulations are hereby superseded and of no further effect.

5. Effective Date. This resolution, and the fees that are established by this resolution, shall take effect 60 days after its adoption.

PASSED AND ADOPTED by the Board of Directors of the Linden County Water District on the 11th day of January 2007, by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

Board President

ATTEST:

Teresa Tanaka, Board Secretary